

do not stand alone. Britain, France, and the 12 other members of the NATO alliance stand with us. We will not surrender. We will not be pushed out.

What does standing firm mean? It does not mean holding fast inflexibility to old positions which have helped to produce the present unhappy stalemate. The real issue, said Walter Lippmann recently, is "whether to stand pat on positions that have become untenable or to move to new positions from which the Western allies can recover the political initiative." Standing firm means that we must match our firmness with imagination, courage, and a willingness to negotiate with the Soviet Union. It means firmness in our fundamental position and flexibility in our strategy and tactics. Standing firm and willingness to negotiate are not, as some people suggest, contradictory policies. They are two elements in any viable policy in the Berlin crisis. We must stand firm in order to negotiate effectively. And we must have solid bases for negotiation if we want to stand firm.

It is imperative that the best minds of our country—those persons qualified as experts on the problems of Central Europe and Germany as well as Soviet policies and tactics—be called upon at once for intensive consultation directed toward policy formulation.

In the weeks between now and May 27, we, in concert with our allies, must explore every possible honorable means that can ease this crisis and point in the direction of a just and equitable settlement.

It is not enough just to negotiate and talk. We must have clearly in mind the objectives we seek, and the means and ways of achieving those objectives without bargaining away the rights of others, or in any way weakening our own security.

I am gratified that our Government is at last taking anew the leadership in preparing for these important conferences.

Yet I would be less than candid if I did not warn the American not to expect quick and easy solutions out of the impending negotiations.

It must constantly be kept in mind that there are no short-time, short-run, immediate answers to these grave, perplexing, long-range problems. Negotiations will require persistent patience. They will require a willingness to endure almost unbelievable, tedious discussions of long duration.

But we must be prepared to negotiate and negotiate as long as there is the slightest prospect of relieving world tension and minimize the danger of war.

The hope of peace and understanding with the Soviet Union is not to be found in political deals.

We cannot leap over our problems and differences.

They must be slowly chipped away, through our contacts in the United Nations, our participations with the Soviet in the U.N. agencies, through our exchange programs, and what we hope will be gradual changes within the Soviet Union.

At best, we will inch along toward peace and understanding.

Let us hope and pray we have the emotional stability and maturity to persevere. And let us hope and pray that no attempts will be made to find quick solutions which will ultimately be regretted because of ill-considered actions or ill-advised consideration.

We know that our national security is not and should not be a partisan matter. But genuine bipartisanship in foreign policy does not mean that the loyal opposition silently acquiesces in all policies advanced by the administration.

The Berlin crisis is both a danger and an opportunity. It is a danger to world peace if we display signs of weakness, indecision, or appeasement. It is an opportunity if we recognize the sharpness of the crisis and proceed to explore every means of peaceful settlement, not only of the Berlin and German situation, but indeed the relationships between the United States, its allies, and the Soviet Union in all of Central Europe. Wise, prudent, and courageous statesmanship is needed now as never before. We must be prepared to follow the course that may be tedious, frustrating, and characterized by insults, threats, and abuses for months to come. The war of nerves has been intensified.

In this struggle, the victory will come to those who clearly understand the relationship between power and principle, maneuver, and objective. We cannot afford to be found wanting in any of these.

Make no mistake about it, a policy of firmness with negotiation is the only policy that will avoid surrender on the one side, and minimize the risks of war on the other.

COOPERATION WITH ALLIES AND RESTRAINT URGED

We must act in harmony with our allies, Britain, France, and West Germany. This means more than coordinating our pronouncements about standing firm. It means hammering out a unified policy and strategy to give us strength for bargaining, and to undergird our determination if negotiation should break down.

If we had worked a bit closer with our allies and had strengthened the consultative process within NATO during the past 5 years, perhaps we would be in a better position than we are today. But let bygones be bygones. If we ever needed the wisdom, strength, and counsel of trusted allies we need them now.

Yes, these are dangerous days and the situation is explosive. But these are also great

and challenging days where spiritual and brain power may save us from the dangerous alternative of the use of firepower.

The alternative to war is peace, and it is in the pursuit of peace that we will find our greatness and fulfill our destiny.

Boland Pays Tribute to Secretary Dulles

EXTENSION OF REMARKS

OF

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 15, 1959

Mr. BOLAND. Mr. Speaker, I am saddened to learn of the resignation of Secretary of State Dulles. I am sure that all of the peoples of the free world feel likewise. He had a profound knowledge of world affairs gleaned over a lifetime of study and experience.

In my judgment, he was a great Secretary of State who served in that post during one of the most difficult diplomatic periods in the history of our Nation.

DULLES' CONTRIBUTION TO MAINTENANCE OF WESTERN ALLIANCE

Despite great personal sacrifices, he made exhausting trips throughout the world and successfully matched wits with the Communists. His contribution was immeasurable in keeping the Western Alliance together under the most trying circumstances.

His role was compounded with difficulty because he could place little or no reliance on the words of his Soviet adversaries. Yet he had a sixth sense in anticipating Soviet weakness and he was a master at persuading Western statesmen to stand firm with him on vital issues. His adamant position forced the Soviet to retreat many times.

HE WAS ONE OF THE WORLD'S OUTSTANDING STATESMEN

Mr. Speaker, I am sure that when historians view his tenure in perspective, they will record that Secretary of State Dulles was one of the outstanding statesmen in the fight against the spread of communism.

SENATE

THURSDAY, APRIL 16, 1959

(Legislative day of Wednesday, April 15, 1959)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Thou who art from everlasting to everlasting, and who changeth not, abide with us, even as earth's joys grow dim and its glories pass away.

With tender solicitude, we lift up in our prayer this day a great servant of the State whose iron will, moral standards,

and passion for the coronation of righteousness and decency in international affairs, across these critical years, have been a bulwark of our liberties and the voice of our America, as our free land has faced, and faces, ruthless foes bent on her destruction.

As with courage which shames our coward fears and a faith deep-rooted in a religion which is his very life, Thy servant—John Foster Dulles—stands in the valley of the shadow, while the Nation he serves with such devotion and the free world cemented in unity by his wisdom and inflexible exertions lift grateful petitions for the smitten warrior who is facing the unseen with a cheer. May he fear no evil, as Thy rod and Thy staff comfort and sustain him.

And, as with his faith, we face the crisis of the coming days—

God be in our head,
And in our understanding;
God be in our eyes,
And in our looking;
God be in our mouth,
And in our speaking;
God be in our heart,
And in our thinking;
God be at our end,
And at our departing.

In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading

of the Journal of the proceedings of Wednesday, April 15, 1959, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H.R. 2228. An act to provide for the acquisition of additional land along the Mount Vernon Memorial Highway in exchange for certain dredging privileges, and for other purposes; and

H.J. Res. 254. Joint resolution to authorize participation by the United States in parliamentary conferences with Canada.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 144. An act to modify Reorganization Plan No. 11 of 1939 and Reorganization Plan No. 2 of 1953;

S. 1096. An act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction and equipment, and for other purposes; and

H.J. Res. 336. Joint resolution making a supplemental appropriation for the Department of Labor for the fiscal year 1959, and for other purposes.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles and referred as indicated:

H.R. 2228. An act to provide for the acquisition of additional land along the Mount Vernon Memorial Highway in exchange for certain dredging privileges, and for other purposes; to the Committee on Public Works.

H.J. Res. 254. Joint resolution to authorize participation by the United States in parliamentary conferences with Canada; to the Committee on Foreign Relations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Judiciary Subcommittee of the Committee on the District of Columbia. The Constitutional Amendments Subcommittee of the Committee on the Judiciary. The Antitrust and Monopoly Legislation Subcommittee of the Committee on the Judiciary.

On request of Mr. GOLDWATER, and by unanimous consent, the Subcommittee on Constitutional Rights of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the introduction of bills and the transaction of other routine business, and that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A petition from the Magyar Publishing Co., of New York, N.Y., signed by Dr. Laszlo Ujlaky, president, Stephen Somody, editor, and Geza Korda, associate editor, relating to free elections for the people of Hungary, East Germany, and other slave states of the Soviet empire; to the Committee on Foreign Relations.

By Mrs. SMITH:

A joint resolution of the Legislature of the State of Maine; to the Committee on Armed Services:

"JOINT RESOLUTION MEMORIALIZING CONGRESS TO EQUALIZE RETIREMENT BENEFITS FOR RETIRED MEMBERS OF THE ARMED FORCES WHO RETIRED PRIOR TO JUNE 1, 1958

"We, your memorialists, the Senate and House of Representatives of Maine in the 99th Legislative Session assembled, most respectfully present and petition your honorable body as follows:

"Whereas, there is now pending before the Congress of the United States legislation concerning the improvement of benefits for retired members of the United States Armed Forces who retired prior to June 1, 1958; and

"Whereas there appears to be no basis for the gross discrimination against retired personnel who retired before June 1, 1958, as they are, by reason of past meritorious services, equally entitled to the increased benefits granted personnel who retire, or have retired, after such date; and

"Whereas this false distinction violates the basic precepts of fair play and the circumstances of retirement should not penalize these honorable members of our society, who must meet the present ever-increasing cost of living the same as personnel that retired after June 1, 1958: Now, therefore, be it

"Resolved, That we, the memorialists, recommend to the Congress of the United States that legislation be enacted that will increase the retirement benefits of the retired personnel who retired prior to June 1, 1958, so that they will be treated equally with personnel who retire, or have retired, after such date; and be it further

"Resolved, That a copy of this memorial, duly authenticated by the secretary of state, be immediately transmitted by the secretary of state to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from Maine in the Congress of the United States."

"CHESTER T. WINSLOW,

"Secretary, Senate.

"HARVEY R. PEASE,

"Clerk, House of Representatives."

RESOLUTION OF SENATE OF ILLINOIS

Mr. DIRKSEN. Mr. President, I present, for appropriate reference, a resolution

adopted by the Senate of the 71st General Assembly of the State of Illinois, with regard to unemployment compensation, and the adequacy of the system which prevails in our own State.

There being no objection, the resolution was referred to the Committee on Finance, and, under the rule, ordered to be printed in the RECORD, as follows:

SENATE RESOLUTION 19

Resolved by the senate of the 71st general assembly,

Whereas there is legislation pending in the Congress of the United States, relating to unemployment compensation, which would compel the various States to drastically amend their unemployment compensation laws to conform with Federal standards; and

Whereas Illinois is firmly dedicated to the beliefs that the individual States are best qualified to determine the provisions of their unemployment compensation statutes based upon the economic conditions of the States and the needs of their citizens; and

Whereas the Illinois General Assembly, over the years, has made amendments to the Illinois Unemployment Compensation Act through mutual agreement of a tri-partite board which has provided for equitable treatment of employees and employers and the general assembly is now in session considering further improvements in its unemployment compensation program; and

Whereas the Illinois General Assembly recently enacted legislation to pay extended benefits independently of Federal action and without the use of Federal funds: Now, therefore, be it

Resolved by the Illinois State Senate, That it opposes Federal legislation which would compel the various States to provide minimum unemployment compensation standards in conformity with Federal laws, thus depriving the Illinois General Assembly of its rightful authority and responsibility in such matters; and be it further

Resolved, That a copy of this resolution be sent by the secretary of state to the President of the United States; Secretary of Labor of the United States; Senate minority leader, EVERETT MCKINLEY DIRKSEN; Senator PAUL H. DOUGLAS, and all Members of the U.S. House of Representatives from Illinois.

Adopted by the senate, March 25, 1959.

JOHN WM. CHAPMAN,

President of the Senate.

EDWARD E. FERNANDES,

Secretary of the Senate.

CONCURRENT RESOLUTION OF KANSAS LEGISLATURE

Mr. CARLSON. Mr. President, the Kansas Legislature, which has recently concluded its biennial session, adopted House Concurrent Resolution 31, memorializing the Congress and the President of the United States to safeguard and preserve established State and individual rights to the use of water within the separate States.

The control of water runoff within the State of Kansas is of great importance to the future growth and development of the State.

It is essential that we have an overall program dealing with this problem in cooperation with Federal agencies.

During the past few years, great progress has been made within my State, and I sincerely hope that no decision of the executive or the judicial branches of the Government will interfere with

the continued mutual cooperation in a program which is so vital.

I ask unanimous consent that this resolution be printed in the *RECORD* and referred to the proper committee.

There being no objection, the concurrent resolution was referred to the Committee on Interior and Insular Affairs and, under the rule, ordered to be printed in the *RECORD*, as follows:

HOUSE CONCURRENT RESOLUTION 31

Concurrent resolution memorializing the Congress and the President of the United States to safeguard and preserve established State and individual rights to the use of water within the separate States

Whereas despite repeated congressional recognition in many statutes such as the Federal Power Act, and the Water Supply Act of 1958, that the States have and should have the primary interest, a series of judicial decisions in the last decade and a half has undermined the ability of the States to perform their appropriate tasks in this field and has suggested the possibility of unlimited Federal prerogatives concerning water which cast doubt on the basis of vested rights and weakens the ability of the States successfully to coordinate water use; and

Whereas recent opinions and assertions from the U.S. Department of Justice would deprive States and persons of rights which said States and persons previously enjoyed, to regulate and control the use of water in those respective States; and

Whereas said decisions of the Federal courts and opinions and assertions of the U.S. Department of Justice are further a part of a general pattern developing gradually into Federal supremacy and usurpation over water, which, if continued will destroy individual and States rights over water, and substitute in lieu thereof an all-powerful centralized Government control thereover; and

Whereas Kansas and the numerous Federal agencies do now and have always enjoyed a spirit of cooperation in the development of flood control and water resources programs and it is the wish of the people of Kansas that such interest and cooperation be preserved and continue in the future; and

Whereas factors involved in water use development are peculiarly dependent on local geography, climate, and economic needs and are consequently best handled within our Federal system by the State level of government; and

Whereas the traditional role of the States in the administration, conservation, and utilization of their water resources has led in the direction of optimum harmonious development of these water resources; and

Whereas Federal agencies which have complied with State water law in obedience to the expressed intent of Congress have not jeopardized any of the legitimate interests of the Federal Government; and

Whereas doubts raised by these judicial decisions and Department of Justice opinions as to the basis of vested water rights, present and future, and doubts as to the relationships between the Federal and State Governments will, without corrective congressional action, tend to delay much needed water development for an indefinite time and discourage the States in their efforts to make much needed improvements in their facilities for water resources planning and development: Now, therefore, be it

Resolved by the House of Representatives of the State of Kansas, the Senate concurring therein, That the Congress and President of the United States and the Representatives of Kansas in the Congress of the United States be, and they are hereby respectfully urged and requested to take all necessary action to (1) preserve the water rights of the individual and the States and to prevent Federal

usurpation of those rights; (2) to see that legislation is initiated and supported to reestablish to the individuals and to the States, the rights taken from them by the Federal courts and the Justice Department; and (3) in every possible way reaffirm, renew, and defend the concepts that water rights are property rights and that these established rights to the use of water, by a State or an individual, should not be taken away without due process of law and adequate compensation. Be it further

Resolved, That the secretary of state be instructed to transmit enrolled copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress, to the chairman of the U.S. Senate and House Committees of Interior and Insular Affairs, to U.S. Senator ANDREW F. SCHOEPEL, to U.S. Senator FRANK CARLSON, and to U.S. Representatives WILLIAM AVERY, NEWELL GEORGE, DENVER HARGIS, ED REES, FLOYD BREEDING, and WINT SMITH.

I hereby certify that the above concurrent resolution originated in the house, and was adopted by that body March 13, 1959.

JOE TAYLOR,

Speaker of the House.

G. E. ANDERSEN,

Chief Clerk of the House.

Adopted by the senate March 21, 1959.

JOSEPH W. HINKLE, Sr.,

President of the Senate.

RALPH E. ZARKER,

Secretary of the Senate.

RESOLUTION OF IRRIGATION COMMITTEE OF MIDDLE RIO GRANDE PUEBLOS, N. MEX.

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the *RECORD* a resolution adopted December 19, 1958, by the Irrigation Committee of the Middle Rio Grande Pueblos in New Mexico.

The resolution compliments John Thompson, the project manager, Middle Rio Grande project, Albuquerque, N. Mex., an employee of the Bureau of Reclamation, for his outstanding work.

In this praise, I concur. The chairman of the committee, Diego Abeita, who transmitted the resolution, is an outstanding citizen of New Mexico. He is highly respected by both the Indians and non-Indians and is devoted to the improvement of irrigated farming on the Indian pueblos. He has contributed greatly to his people in the Isleta and other pueblos.

There being no objection, the resolution was ordered to be printed in the *RECORD*, as follows:

This resolution was adopted December 19, 1958, by the irrigation committee of the Middle Rio Grande Pueblos, consisting of eight pueblos—Cochiti, Santo Domingo, San Felipe, Santa Ana, Sandia Isleta, Jemez, and Zia—at a regularly called meeting of the committee attended by the governors and their staffs of all of said pueblos, and all of the members of the committee:

"Whereas for years we have watched the work of Mr. John C. Thompson, project manager of Middle Rio Grande project, in rehabilitating the work of the Middle Rio Grande Conservancy District and doing heroic work in salvaging water of the Rio Grande, the lifeline of our people; and

"Whereas in doing this work Mr. Thompson has always patiently listened to the needs and even the demands of our pueblos and, wherever possible, he has done his very best to meet our needs; and

"Whereas under our claim to water rights Mr. Thompson, under direction of the Secretary of the Interior, has stored water for our requirements in El Vado Reservoir and made the water available to us, whenever possible, at the time it was needed; and

"Whereas it has recently come to our attention that our friend, Congressman BEN F. JENSEN, after inspecting the work done by Mr. Thompson and his staff, observed, out of his wide knowledge of all the reclamation projects in the country, that the Middle Rio Grande project is being handled probably better than any other project in the country. Knowing Mr. Thompson and his staff, that is easy to believe; and

"Whereas so many hardworking, thoroughly able and faithful public servants of the United States hardly ever get complimented by those they serve until they drop dead, we feel we should tell Mr. Thompson how we feel: Now, therefore, be it

"Resolved, That we express our sincere appreciation and deep gratitude to Mr. Thompson for the outstanding work he is doing on the Middle Rio Grande project and for what he has done for us, even though he has not given us all we wanted. But even more, we want Mr. Thompson and his staff to know how thankful we are, and the Secretary of the Interior and the other superiors of the project people ought to be, for having such outstanding people do such excellent work; be it further

"Resolved, That a copy of this resolution be sent to all interested parties including Mr. Thompson, the Commissioner of the Bureau of Reclamation, the Regional Director of the Bureau of Reclamation, our congressional delegation, the Secretary of the Interior and, so long as we mentioned him, to the Honorable BEN F. JENSEN."

DIEGO ABEITA,

Isleta Pueblo, Chairman, Irrigation Committee of the Middle Rio Grande Pueblos.

I hereby certify that the above and foregoing is a true and correct copy of a resolution unanimously adopted by the irrigation committee of the Middle Rio Grande pueblos at the time and place shown.

Dated this 18th day of March 1959.

DOMINGO MONTOYA,

Acting Secretary, Irrigation Committee of the Middle Rio Grande Pueblos.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HUMPHREY, from the Committee on Agriculture and Forestry, without amendment:

S. 690. A bill to provide for the increased use of agricultural products for industrial purposes (Rept. No. 193); and

S. 753. A bill to authorize cooperative associations of milk producers to bargain with purchasers singly or in groups, and for other purposes (Rept. No. 192).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, with an amendment:

S. 1289. A bill to increase and extend the special milk program for children (Rept. No. 194).

RELEASE OF GOVERNMENT-OWNED COPPER—REPORT OF A COMMITTEE

Mr. GOLDWATER. Mr. President, on behalf of the chairman of the Committee on Interior and Insular Affairs, the Senator from Montana [Mr. MURRAY], I report favorably, without amendment, the resolution (S. Res. 101) opposing the release at the present time of any part of

any Government inventory of copper, and I submit a report (No. 191) thereon. The resolution was unanimously approved by the committee and deals with the release of Government-owned copper at this time.

The PRESIDING OFFICER (Mr. Moss in the chair). The report will be received, and the resolution will be placed on the calendar.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. MANSFIELD. I wish to congratulate the Senator from Arizona for reporting the resolution, which, I understand, was reported unanimously by the Committee on Interior and Insular Affairs. It is an indication of the fact that the committee most closely connected with mining in all its phases is aware of the difficulty which the possibility of the Government stockpile being released imposes upon the copper economy at this time.

I should like to ask the Senator a question. Is it the Senator's understanding that there are three Government stockpiles; that two of them are subject to the will of Congress, so to speak, and that the remaining one is outside that sphere and is subject only to the will of the Administrator of OCDM?

Mr. GOLDWATER. It is my understanding that the Senator is correct in that statement. What concerns us, of course, is the lack of control we have over the administered stockpile. I have been talking about this problem with the White House.

I am sorry I was not on the floor when the Senator made his remarks. At the time I was on the telephone talking with the White House on this problem. I have been informed that Dr. Hoegh released a statement yesterday which, I understand, the Senator from Montana has read into the RECORD. That statement is not conclusive enough to allay the fears of the world copper market. I have been informed by word of mouth that it is not the intention to release any of the copper at the present time. I have asked the White House if it would instruct Mr. Hoegh to make a more definite statement than he has made, so that the world copper markets might not be so frightened, and that thereby a stop be put to the decline in the world price of copper.

Mr. MANSFIELD. I should like to say that I wish the administration, through a spokesman of the OCDM would make a statement more in accord with what the Senator from Arizona said yesterday, namely, that "this copper should be removed to a jurisdiction which would prevent any possibility that it could be dumped on the markets."

The spokesman for the OCDM said yesterday: "We have made no decision to release or offer copper for sale on the open market at this time." It is a very indefinite statement and one which, if allowed to stand, can only bring about a further depreciation in the copper economy and a further depression in prices.

I ask unanimous consent that there be printed in the RECORD at this point an

article published in the Daily Metal Reporter entitled "Oppose Release of Copper From Government Stocks," and an article published in the American Metal Market of April 16, 1959, entitled "Possible Copper Sale by Government Puts Market in Turmoil."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Daily Metal Reporter, Apr. 16, 1959]

OPPOSE RELEASE OF COPPER FROM GOVERNMENT STOCKS—OCDM STUDIES QUESTION; STATE, INTERIOR DEPARTMENTS AND SENATORS HIT MOVE

WASHINGTON.—The State and Interior Departments are said to be up in arms as a result of the decision by the Office of Civil and Defense Mobilization to look into the advisability of liquidating some 130,000 tons of nonstrategic copper that the Government acquired under its floor-price contracts with producers. The GSA lacked funds with which to buy this copper and put it into the stockpile, it is stated here, and hence this metal is available for sale without any authorization by Congress. The State and Interior Departments are said to be carrying the matter to the President who would be in a position to countermand any decisions that the OCDM may be contemplating.

The recommendation that the OCDM liquidate this nonstrategic copper is said to have been made by J. Roy Price, who retired from Union Carbide Co. some years ago where he was in charge of research in the company's plastic department. He was appointed Assistant Director for Resources and Production in the OCDM by President Eisenhower and is on full time with the agency, an official stated.

The OCDM was considering the disposal of the copper in small quantities so that it will not affect the market, a top official of the agency stated. He stressed the fact that no decision has been made as yet, but that the OCDM is reviewing the question because of market conditions. The official said that no decision is likely for a few days.

News of what the OCDM was contemplating touched off a storm of protest on the part of Senators and Congressmen from the mining States.

A group of western Senators called on the administration to deny reports that large stocks of copper will be sold from the Government stockpile.

Senator MANSFIELD, Democrat, of Montana, and seven other Senators introduced in the Senate a resolution declaring it to be the sense of the Senate that release of these stocks would do "incalculable damage to the national security and to the economic well-being of the Nation."

The Montanan, who is the Senate Democratic whip, also revealed that he and the other Senators Tuesday sent a letter to Defense Mobilizer Leo Hoegh protesting the reports.

The letter said the Senators were disturbed by the reports that the Government might sell up to 128,000 short tons from the copper stockpile, and urged Mr. Hoegh to announce immediately that there were no plans to release this tonnage.

Unless this is done, Senator MANSFIELD and his colleagues warned in their letter, a further drop in copper prices is inevitable.

Mr. MANSFIELD told the Senate that he had understood that the recommendation for the sale had been made by a "Mr. Price," who he described as a gentleman living on Long Island and visiting Washington once a week as a Defense Mobilization consultant.

STATE OF CONFUSION IN COPPER

The OCDM report from Washington threw the copper market into a state of confusion.

This was especially the case with respect to the commodity exchange where prices at one time were down by as much as 160 points. At the close the prices were 85 to 102 points below Tuesday's close. The turnover was 1,180 lots (29,500 tons).

THE FAT'S IN THE FIRE

In copper circles the feeling prevailed that no matter what the OCDM decision is, the "fat's in the fire" in that it is now common knowledge that there are some 128,000 tons of Government-owned copper overhanging the market which may be released at any time. The immediate effects are likely to be psychological in nature. One will probably be a damper on speculative enthusiasm. Another is the calming if not the elimination of consumers' fears of a copper shortage.

The market already has felt the effects of the Washington report. There was the price slump on the commodity exchange. While custom smelters booked fair-sized orders early in the day at 32 cents a pound, consumers virtually withdrew from the market as buyers in the afternoon. Dealers were unable to interest buyers at 31½ cents a pound f.o.b. refinery.

The large primary producers maintained their price at 31½ cents a pound delivered.

The sales reported for Tuesday amounted to 5,064 tons of which 3,889 tons were for shipment this month, 850 tons for May, 275 tons for June, and 50 tons for September. That brought the sales for April shipment to 90,309 tons, for May to 25,948 tons and for June shipment to 17,616 tons.

SCRAP PRICE DOWN ONE-QUARTER CENT

For the greater part of the afternoon, the custom smelters withdrew from the market as buyers of scrap at any price. Late in the afternoon, two custom smelters reduced their buying price by one-quarter cent a pound to a basis of 25¼ cents for No. 2 heavy copper and wire. One factor continued to stay out of the market as a buyer.

TRADE'S GUESS—NO OCDM SALE

In copper circles the guess was that in view of the political storm that has been raised, the OCDM will probably decide not to liquidate the nonstrategic copper at the present time. There was plenty of criticism, however, not only over the timing of the OCDM contemplated action, but also over the fact that whenever the Government steps into business, it is likely to make a mess of things. The Government had acquired the copper through incentive contracts with high-cost producers whereby it guaranteed to take the metal off their hands at a pre-determined floor price if they could not sell the metal in the open market. It was done to stimulate production at a time when the Government thought that the shortage would last for years. Now that the world's output is at a record high level, the Government is planning to sell the copper. In copper circles it was recalled that our Government is now planning to do what the British Ministry did with its stockpiled copper that it released not when there was a shortage but when there appeared to be an oversupply.

EFFECT ON LONDON AWAITED

There was considerable speculation as to what the reaction will be in London to the OCDM news. A further decline on the LME was anticipated.

London prices were down £2 a ton for the day. At the first session the bid for cash and for forward was £236 15s, down £1 15s from Tuesday's close. The sales were 1,700 tons.

At the second call £235 10s was bid for the two positions, a further drop of £1 5s. The sales were 1,000 tons.

[From American Metal Market, Apr. 16, 1959]

POSSIBLE COPPER SALE BY GOVERNMENT PUTS MARKET IN TURMOIL—OCDM DENIES ANY DECISION TO SELL DPA METAL IN OPEN MARKET—NEW YORK FUTURES TUMBLE

NEW YORK, April 15.—The copper market was thrown into a turmoil this morning when Senator MIKE MANSFIELD, Democrat, of Montana, indicated that the Office of Civil and Defense Mobilization intended to authorize the sale of Defense Production Act copper in the open market. The news brought an immediate break in the price-sensitive New York futures market. Quotations tumbled as much as 1.65 cents per pound at one point during the day. Trading volume set an alltime record high of 1,180 lots or 29,500 tons. The news arrived too late to affect values on the London Metal Exchange. But coming as it did on the heels of record-breaking world production figures and rising stocks reported on Tuesday by the Copper Institute, the Washington report changed the whole tenor, of what, until recently has been a shortage-scared domestic market.

OCDM SAYS NO DECISION TAKEN

Later in the day the strong protests of the Western mining Senators over the rumored sale of 128,000 or more tons of Government copper were tempered by an OCDM announcement. A spokesman for the agency in Washington told American Metal Market, "We have made no decision to release or offer copper for sale on the open market at this time."

"The total stockpiles are always being reviewed in respect to defense requirements. This is nothing new insofar as a review is concerned. There has been no determination to dispose of any copper in our Defense Production Act inventories," the spokesman said.

PRECEDENT SET

Government officials pointed to a precedent in the release of copper from DPA inventories which was established during the shortage which developed in 1956 as the result of an industrywide strike. Secretary of Labor Mitchell announced his opposition to the release of copper by the Government during the strike because it would weaken the bargaining position of the workers. Following the strike copper was released on two separate occasions from DPA inventories to meet consumption requirements while the shut down plants were getting back into production.

The copper in Defense Production inventories was acquired as the result of Korean war expansion contracts. It has been accumulating as producers take advantage of the provision in their contracts to "put" copper to the Government.

It was strongly indicated by other Government sources, however, that an action to release copper from DPA account had been under discussion. One official, conversant with these proposals, said that the militant opposition voiced by Senator MANSFIELD and other mining State Senators on Capitol Hill today had put the quietus on further discussion of the release of copper at this time.

PROTEST ON SENATE FLOOR

Nevertheless, the membership of the 86th Congress, under the lash of Senators and Congressmen from copper-producing States, was up in arms in Washington over the report that the Government was about to dispose of its holdings of copper purchased under Defense Product Act authority.

One reliable source on Capitol Hill said the DPA holdings of copper amounted to 128,000 tons, but Senator MIKE MANSFIELD, who took the floor of the Senate early at today's session, said he had been informed that the DPA holdings might amount to as much as 180,000 tons.

The Montana Senator introduced a resolution calling for the Senate to request that any disposition of DPA copper be halted immediately. In addition, his resolution requested that the DPA copper holdings be transferred at once to the national stockpile in order to remove it from any sudden disposition by the General Services Administration at the direction of the Office of Defense Mobilization.

ASKS REMOVAL OF DUMPING THREAT

Senator BARRY GOLDWATER called for non-partisan support of the Senate on this resolution. He said the DPA copper holdings have been depressing the markets for several years.

"This copper," he said, "should be removed to a jurisdiction which would prevent any possibility that it could be dumped on the market."

The DPA copper holdings have been built up under the Defense Production Act since 1951, when the Congress authorized copper and other metal expansion programs, to meet war time needs. A few of these contracts are still in existence. The copper sold to the Government under these contracts is not made a part of the national stockpile, although some of it could be transferred to the national stockpile under emergency conditions.

TO BE CONSIDERED BY INTERIOR COMMITTEE

Senator MANSFIELD's resolution, which was endorsed by eight other Senators, was introduced with the provision that additional Senators would add their names as sponsors.

Later in the week this resolution will be considered by the Senate Interior Committee, headed by Senator JAMES E. MURRAY, Democrat of Montana, who also was one of the strong endorsers of this legislation.

In the House of Representatives, another bipartisan group of western Congressmen also joined forces today to urge the administration to announce publicly that it has no intention of selling DPA copper.

The western Congressmen and Senators both forwarded letters this morning to Leo A. Hoegh, Director of the Office of Civil and Defense Mobilization.

The consensus of congressional opinion widely expressed today was that, if a sale of surplus copper to industry is carried out, copper prices could well drop to the extreme lows that existed only a year ago.

KNOWN IN ADVANCE?

At that time, with the domestic price around 24 cents per pound, the Senate by a large majority passed legislation which would have authorized the Government to buy 150,000 tons of copper at 27.50 cents per pound as a floor price in support of copper, in order to stop the closing down of copper mines.

However, the Senate bill was defeated in the House. Since that time, the price of copper has risen to the thirties, at levels which made it profitable for the mines to continue operating. Within the last few days copper prices have started skidding, and stocks on hand are increasing. Many Members of Congress today attributed this lowering of prices to the possibility that the U.S. Government was planning to dispose of thousands of tons of copper on the markets.

Senator MANSFIELD and Senator MURRAY, using copies of today's American Metal Market, called attention to a page one story pointing out the break in the copper market.

The resolution introduced by Senator MANSFIELD was expected to bring forth some clarification from OCDM Director Hoegh late today.

PETITIONED BY FABRICATORS

While there was no actual inventory reading available on the amount of copper held under DPA contracts, the best estimate

available seemed to be at least 128,000 tons were being held.

Although few believed that the Government planned to sell in the immediate future any copper, there seemed to be authentic reports that small amounts of copper were to be released in response to petitions from copper fabricators, who have protested that the price of copper had risen too high for their production revenues to come out even.

Senator MANSFIELD indicated to the American Metal Market that, as far as he could tell, the pressure brought to bear on the Government to sell some of its copper holdings had been instigated by the copper fabricators.

LONDON DECLINES ON STATISTICAL NEWS

The consternation which greeted the initial news from Washington today was symptomatic of the new uneasiness which has crept into the copper market recently. Foreign mines and refineries are turning out metal at a record rate and there is a feeling in the trade that London prices may decline further until foreign copper can be sold in the U.S. market competitively with the 31½ cents producer quotation, the 1.7 cents import tax notwithstanding. Any release of Government copper would further swell the world supply of red metal and weaken the industry's basic price. The market's psychology apparently has been transformed from fear of strike shortages to the prospect of an oversupply. But strikes remain the incalculable factor in the situation.

The London market reacted unfavorably to the Copper Institute statistics which showed a 17,000-ton increase in foreign stocks in March. Both the spot and three-month quotations declined £3 per ton to finish at £235 10s per ton. A total of 2,700 tons changed hands.

SCRAP CUT ONE-FOURTH CENT

The unfavorable Washington news brought a sell-off in the scrap market. At least one custom smelter was out of the market for part of the day owing to the somewhat confused situation. Later in the day all smelters joined in posting a one-fourth cent reduction in scrap buying prices. This put the published quotation for No. 2 copper scrap at 25¼ cents per pound.

Custom smelters maintained their electrolytic selling price at 32 cents per pound.

FUTURES SLUMP

Futures on the Commodity Exchange opened easier this morning on the statistical news. The Washington development brought a flood of sell orders, but price recovered later with the OCDM announcement.

Mr. MANSFIELD. Mr. President, if the Senator from Arizona will yield further, I should like to say that in yesterday's statement, in submitting the resolution, I had the following to say:

It has been—

That is the copper area—

It has been the most blighted area in the field of unemployment, and the depressed condition has been quite evident until recently. Now we have this attempt by a Mr. Price, who I understand lives on Long Island and visits Washington once a week as a consultant to the Office of Civil and Defense Mobilization, headed by former Gov. Leo Hoegh, of Iowa, to dump Government-owned copper on the domestic market.

I did not wish to speak disparagingly of Mr. Price, but I had just heard his last name mentioned in connection with the rumored copper inventory disposal. I therefore ask unanimous consent, in fairness to Mr. Price, to have printed in

the RECORD at this point a brief biography of Mr. J. Roy Price, who joined the office of OCDM on December 2, 1958, and is Assistant Director in that organization, and, therefore, presumably, a full-time employee of the Government.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

J. ROY PRICE BIOGRAPHY

J. Roy Price, of Manhasset, N.Y., has been Assistant Director of the Office of Civil and Defense Mobilization since September 2, 1958.

Prior to joining the agency, he was associated with Union Carbide Corp. where he has had a long career in the fields of research, development, production, sales, and merchandising.

He is one of the men who conducted the original research in this country on vinyl plastics and later helped organize the firm's plastic division, which later was merged with Bakelite Co., division of Union Carbide Corp.

He served for 2 years on his company's Industrial Fellowship at the Mellon Institute of Industrial Research, University of Pittsburgh.

During World War II, he served as his firm's liaison representative in Washington, D.C., working with the various defense agencies.

Mr. Price was born June 15, 1900, in Mt. Hope, W. Va. He received a Bachelor of Science degree in 1923 from West Virginia Wesleyan College. He later did graduate work at Marshall College and Columbia University. He holds honorary degrees from West Virginia Wesleyan College and Parsons College. After being a teacher of science and school superintendent, he joined Union Carbide Corp. some 30 years ago.

He served as president of the board of education of Manhasset Public Schools, is a member of the board of trustees of West Virginia Wesleyan College and a member of the advisory council of Grinnell College.

He is married and has two children. The family resides in Manhasset, N.Y.

Mr. MANSFIELD. I again thank the Senator from Arizona. I want him to know that I, too, have been in contact with the White House. I talked with Mr. Don Paarlberg today. I have not received any assurance from him that this Government copper inventory will be kept off the market. Therefore, this feeling of uncertainty will continue. Unless something is done soon, the price will be depressed still further.

Mr. GOLDWATER. The White House has been apprised of the situation. I feel certain that efforts are being made to bring about the issuance of a more satisfactory statement. I assure the Senator that I shall follow up my action in that direction.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY (by request):

S. 1699. A bill to consolidate, revise, and reenact the public land townsites laws; to the Committee on Interior and Insular Affairs.

By Mr. CARLSON:

S. 1700. A bill to permit income derived as an administrator or executor of an estate to be considered as self-employment income for the purpose of the insurance system established by title II of the Social Security Act; to the Committee on Finance.

By Mr. CLARK:

S. 1701. A bill for the relief of Hajime Asato; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 1702. A bill for the relief of Franciszek Roszkowski;

S. 1703. A bill for the relief of Raul J. Hermitte and Ginette N. Hermitte;

S. 1704. A bill for the relief of Werner J. Fleischmann;

S. 1705. A bill for the relief of Ivan (John) Persic;

S. 1706. A bill for the relief of Zofia Wieszoeck; and

S. 1707. A bill for the relief of Gomes Antonio de Phino; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 1708. A bill to authorize the issuance to State defense forces of obsolete supplies and equipment of the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. MAGNUSON (by request):

S. 1709. A bill to amend section 210a(a) and section 210a(b) of part II of the Interstate Commerce Act to deny the granting of temporary operating authority to render common or contract passenger service by motor vehicle if absence of service results from a strike; and

S. 1710. A bill to amend part II of the Interstate Commerce Act in order to provide employee protection in cases involving consolidations, mergers, and other similar situations of passenger motor carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. HUMPHREY (for himself, Mr. CARROLL, Mr. HART, Mr. KENNEDY, Mr. MCCARTHEY, Mr. MCGEE, Mr. MONRONEY, Mr. MORSE, Mr. MURRAY, and Mr. WILLIAMS of New Jersey):

S. 1711. A bill to promote the foreign policy of the United States and help to build essential world conditions of peace, by the more effective use of U.S. agricultural commodities for the relief of human hunger, and for promoting economic and social development in less developed countries; to the Committee on Foreign Relations.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 1712. A bill to extend the application of the Motorboat Act of 1940 to certain possessions of the United States; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 1713. A bill to authorize the Secretary of the Interior to modify the works of the Grand Coulee Dam, Columbia Basin project, Wash., and for other purposes; to the Committee on Public Works.

EXTENSION OF MOTORBOAT ACT OF 1940 TO CERTAIN U.S. POSSESSIONS

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to extend the application of the Motorboat Act of 1940 to certain possessions of the United States. I ask unanimous consent that a letter from the Secretary of the Treasury requesting the proposed legislation be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1712) to extend the application of the Motorboat Act of 1940 to certain possessions of the United States, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

OFFICE OF THE SECRETARY

OF THE TREASURY,

Washington, April 7, 1959.

THE PRESIDENT OF THE SENATE.

SIR: There is transmitted herewith a draft of a proposed bill "To extend the application of the Motorboat Act of 1940 to certain possessions of the United States."

The purpose of this proposal is to restate the applicability of the Motorboat Act of 1940 to certain possessions of the United States, viz, Guam, Virgin Islands, and the Commonwealth of Puerto Rico.

The Motorboat Act of 1940, prior to its amendment by section 6 of the Federal Boating Act of 1958, Public Law 85-911, approved September 2, 1958, was applicable to the Virgin Islands, Guam, and the Commonwealth of Puerto Rico. It is considered essential in the promotion of boating safety in these areas that former conditions be restored.

Motorboats and small motor vessels operating in these areas must now comply with the navigation lights requirements of the International Rules of the Road rather than those prescribed in the Motorboat Act of 1940. This change is confusing and unwarranted. Motorboats operating in these areas need no longer carry a life preserver or other approved lifesaving device for each person on board. This is a regression in the progress made in promotion of safety on the waterways of these areas. It is considered of paramount importance that operators of motorboats carrying passengers for hire in these areas continue to be licensed by the Coast Guard. The carriage of fire prevention and fire extinguishing appliances on board motorboats in these areas should also be continued. The absence of safety legislation applicable to motorboats in these areas will be marked with tragedies unless remedial measures as proposed are quickly taken.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

A. GILMORE FLUES,

Acting Secretary of the Treasury.

RELIEF OF CERTAIN ALIENS—AMENDMENT

Mr. CHURCH submitted an amendment, intended to be proposed by him, to the bill (S. 1033) for the relief of certain aliens, which was referred to the Committee on the Judiciary, and ordered to be printed.

ADDITIONAL TIME WITHIN WHICH CERTAIN STATE AGREEMENTS UNDER SECTION 218 OF THE SOCIAL SECURITY ACT MAY BE MODIFIED—AMENDMENTS

Mr. YOUNG of North Dakota submitted amendments, intended to be proposed by him, to the bill (H.R. 213) to provide additional time within which

certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees, which were ordered to lie on the table and to be printed.

NOMINATION OF MRS. CLARE BOOTHE LUCE TO BE UNITED STATES AMBASSADOR TO BRAZIL

Mr. DIRKSEN. Mr. President, I believe that with propriety, under the rule, I dare allude to the following:

Yesterday there was a meeting of the Foreign Relations Committee, at which time the committee took testimony on the question of the confirmation of the nomination of Clare Boothe Luce to be our Ambassador to Brazil. There seems to have been a rather lively interchange between some of the members of the committee and the nominee. For instance, I notice from the newspapers that there was reference to a speech made by Mrs. Luce in 1952; and it is alleged that in that speech she said:

For 20 years mortal enemies of our country have been thriving in the organism of the Democratic Party.

Mr. President, I do not believe that sort of thing has any bearing upon Mrs. Luce's competency to be our Ambassador. I do not believe it has any bearing upon her qualifications. There was no impeachment of her service as our Ambassador to Italy. Of course, the statement quoted in the newspapers was actually a political statement in a campaign year.

I would not care to be called to account for some of the things I have said in campaign years. [Laughter.] I recall that when the "Court-packing" bill was before the Senate, at which time I was a Member of the House of Representatives, of course I had no opportunity to vote on that bill; but what I may have said about the President of the United States at that time would go infinitely farther than the imaginative mind of Mrs. Luce could ever have conjured up.

I would not like to be called to account for some of the things I said as a minority Member for 14 years under Democratic administrations, when I assailed "spender-mania" and "squander-mania," and when I assailed the New Deal in all its facets, including the reform and relief and recovery programs.

I would not like to be called to account on a highly sensitive basis for what I had to say about the distinguished "President of Independence" at the time of the seizure of the steel industry. At that time I could scarcely find words in my limited lexicon to pour boiling oil upon him; and if the words I did use were read out of context, I am sure they would sound rather brutal.

Mr. GOLDWATER. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield to my distinguished friend.

Mr. GOLDWATER. I am glad my distinguished colleague, the Senator from Illinois, is speaking on this matter, because I, myself, intend to make a few remarks

on it; and at this time I am glad to add to what my colleague has said.

One of the Senators who engaged in the interrogation of Mrs. Luce on yesterday was the senior Senator from Oregon [Mr. MORSE]; and if my memory serves me correctly—although it does not have to in this case, because I have before me his printed words, as they were published in the Des Moines Register on January 13, 1946—at one time he said:

Liberalism is dead in the Democratic Party, and that party has reverted to its traditional role of placing political privilege and corrupt machine politics, a la the Missouri gang, above the general welfare of our people.

I have read the interrogations, as reported in the newspapers, and I do not believe that anything Mrs. Luce is reported to have said can compare in violence with the statement made by the senior Senator from Oregon which I have just quoted.

In fact, if I may refresh the Senator's memory the senior Senator from Oregon [Mr. MORSE] was quoted in the Denver Post of October 30, 1948, as having said:

World peace is threatened today because two American Presidents—Franklin D. Roosevelt and Harry Truman—circumvented the regular treaty process at Yalta and Potsdam.

I think that is a rather harsh indictment of the President of the United States. I do not think that is any less harsh than saying a President "lied us into war."

I merely wanted to refresh the Senator's memory as to the inconsistency of some of the interrogations, based on the instances I have cited.

Mr. DIRKSEN. As I think of some of the campaign statements I have made—and I think I stand by every one of them, Mr. President—in those days, when in a campaign, we rang all the alliterative changes on "communism and corruption," our statements were pretty tart and pretty testy.

I would say to my distinguished and beloved friend whose desk is across the aisle from mine, and who has a great capacity for bold phrases and a great command of etymology, that he uses phrases which, I should say, develop a million pounds of clout—or, in the jet age, I believe the word "thrust" is used—as, for instance, in the speech he made in Phoenix. That led me to make some remarks on the question of vetoes on the floor. But I know that represented a deep conviction on his part.

I think of some of the statements made about the capacity of our beloved President in the economic and monetary field, such as observations made by our delightful colleague, the Senator from Oklahoma [Mr. KERR]; and I think about the interchanges we have here on budget matters.

I think about all the very sharp and testy observations made by the very distinguished—and, if I did not love him so much, I would say unregenerate—Senator from Missouri [Mr. SYMINGTON], who constantly takes us to task on the question of preparedness, missiles, and all that sort of thing.

So the questioning in the committee to which I have just referred amounts merely to raising a political question

which does not go at all to competency or to qualifications. Therefore, I felt the necessity of remarking on that fact, because these matters appear on the front pages of newspapers in other countries besides our own. They could very easily be misinterpreted in Brazil.

Therefore I wished to add my word or two here, in order to make sure, if that can be done, that no misimpressions are carried abroad as a result of the questions which were raised in the committee by the distinguished Senator from Oregon [Mr. MORSE], which were entirely, it seems, in a political vein. I am sorry he is not here, because he has always done me the honor of telling me if he is going to use my name, slightly and affectionately, in vain on the Senate floor.

I am glad that there is only a very, very modest minority that quite follows the judgment of the distinguished Senator from Oregon.

Mr. GOLDWATER. Mr. President, yesterday one of America's most distinguished ladies, Mrs. Clare Boothe Luce, appeared before the Foreign Relations Committee of the Senate to be examined as to her qualifications to be Ambassador to Brazil. The questioning as reported in the Washington Post was, to me, more in the nature of a political field day than it was in the nature of determining this lady's qualifications. I am surprised that people in politics would refer to political speeches of yesterday, or long ago, in an effort to determine a person's ability. For instance, the senior Senator from Oregon [Mr. MORSE] was reported as being critical of a remark Mrs. Luce made to the effect that, "President Roosevelt was the only President that lied us into war." I can remember in the campaign of 1940 that there were references by the candidate, Franklin D. Roosevelt, that American boys would never be sent overseas; and yet, within a few months after the election, American boys were being sent overseas and we were at war. I have heard many politicians and many private citizens accuse President Roosevelt of not having been truthful to the American people in this instance; but for the life of me, I cannot see where this has any bearing on the ability of Mrs. Luce.

If I recall correctly, the senior Senator from Oregon has made many references to the President of the United States, Dwight Eisenhower, that could not be termed complimentary, and certainly, the junior Senator from Arkansas [Mr. FULBRIGHT], the chairman of the Committee on Foreign Relations, has often been critical of the administration; but I call that politics. For an example, the senior Senator from Oregon signed a "declaration of conscience," June 1, 1950, which said in part:

The Democrat administration has initially created the confusion by its lack of effective leadership—by its complacency to the threat of communism here at home.

The question at point is not that Mrs. Luce engaged in politics during her career, but, is she qualified to be the Ambassador to Brazil? I have lived all my life on the border of Mexico, and I have traveled extensively in Mexico and other Latin countries, and I think I have an

understanding of what the people of those nations seek in the Americans who not only visit them, but who are sent to represent the United States in an official way. Mrs. Luce has these qualities to an outstanding degree. Her services as Ambassador to Italy have never been criticized, to my knowledge. On the other hand, I have heard nothing but high praise from friends in Italy for the way in which she conducted that office. Mrs. Luce is taking this appointment seriously. She is learning the language of the country. She is learning the customs. She will go to Brazil completely equipped to step into this position and do for this country an outstanding job in representing us and bringing our two countries closer together.

Life presents many peculiar and difficult to understand situations, and, certainly, when the senior Senator from Oregon and the junior Senator from Arkansas, who were leaders in the fight against the late Senator McCarthy, engage in what I believe to be the same tactics they accused Senator McCarthy of using, we find a most incongruous picture.

I hope that the Foreign Relations Committee, in its next meeting with Mrs. Luce, will conduct questioning as to her ability, and not as to her activities as a politician, for if she is to be judged by political remarks, then all of us in politics are open to criticism, because none of us has been pure in our references to opposition parties or candidates during periods of election.

Mr. President—

The PRESIDING OFFICER. The Senator from Arizona.

LEGISLATION IN THE LABOR-MANAGEMENT FIELD

Mr. GOLDWATER. Mr. President, with the Kennedy labor bill reported to the Senate by the committee and the majority report and minority views filed, it now becomes our duty to consider this bill, S. 1555, on its merits as a reform measure in the labor-management field.

The weaknesses and inadequacies of this bill are apparent to the public, have long been apparent to colleagues who recognize the need for truly effective legislation, and now are evidently apparent to its own proponents. This revelation came about as the majority faction of the Labor and Public Welfare Committee decided the no-man's land provision did not meet their own requirements, and they proposed striking that provision from the bill. Sponsors were willing even to report a bill with a void in this area, with the agreement they would accept without reservation the recommendation of the 12-man labor committee panel of experts if this recommendation were made unanimously.

Just yesterday in executive session it was decided that the provisions relating to no-man's land, which would require each State to set up subservient arms of the NLRB which would take their instructions from Washington, really did not solve the problem. But, rather, it would nearly double the present 2-year lag in processing cases before the Na-

tional Labor Relations Board. When we consider the turmoil caused in a business which has a case before the Board, this provision is certain to increase the number of business failures, and hence increase the unemployment rolls.

In view of this, the committee agreed they would be willing to strike this no-man's land provision should the panel of experts be able to offer any kind of an acceptable substitute next week. In such a rush were they to report some kind of labor bill, regardless of its effectiveness, that they were willing to report a bill void in this important respect in the hope that the panel later would magically produce the wanted solution.

We of the minority have watched the evolution of this bill, and this is just one more example of the slipshod legislative technique and shoddy draftsmanship which characterize this bill.

If there is any doubt about how the public feels about this bill, here is an excerpt from an editorial in the *High Bridge, N.J., Gazette*, printed on March 5 of this year:

A vote for the Kennedy bill is an easy out for the nervous lawmaker who, for a number of reasons, may prefer not to irritate the labor bosses, and whose constituents are uninformed or indifferent or both. He can then please the labor barons and pose at the same time as a champion of labor union reform. On the other hand, the conscientious Congressman who realizes what a phony bill this is must be a very brave man to vote against it when there is no hint of support or appreciation from the homefolks. Useful as this bill could be to the union hierarchy—whose "fat cats" will bring every pressure to bear for its passage—it is a disservice to the rank and file union member and an insult to the public at large.

On previous occasions the gimmicks of this bill have been cited. These gimmicks are intended to give the bill a facade of effectiveness, an appearance of dealing with abuses in the labor-management field, and of placing in the hands of union members the rightful control of their organizations. But the bill does nothing of the kind, as has been shown time and again, because of the shallowness and deceptiveness of its language.

To legislate effectively a true labor reform bill, we must first eliminate these gimmicks and write into the bill provisions which truly give the union member protection of his rights as a citizen.

This is only one step toward giving the public the type of legislation they demand.

Second, we must drop the Taft-Hartley amendments which are irrelevant to corruption and racketeering. Amendments to correct these abuses are the substance of a bill which is to be titled a labor-reform bill. Revisions in other areas of the Taft-Hartley law ought rightly to be left to the 12-man panel of labor law experts appointed by the Labor Committee specifically to study this problem.

The final step is the adoption of amendments to correct six glaring loopholes in the Kennedy bill.

They are:

First. Impose fiduciary obligations, enforceable by union members, on the officials of labor unions.

Second. Impose the effective sanctions of denial of tax immunity and of access to the National Labor Relations Board, the National Mediation Board, and so forth, to unions which violate the bill's provisions.

Third. Solve the problems arising out of the no-man's land by permitting the States to exercise jurisdiction in those classes of labor cases which the Federal Labor Board refuses to entertain.

Fourth. Limit organizational and recognition picketing by unions which clearly do not represent a majority of the employees of the picketed employer.

Fifth. Close the loopholes in the present law dealing with secondary boycotts.

Sixth. Limit effectively political expenditures and contributions by labor unions.

It is clear that what is needed, and what the public is insistently demanding, is Federal legislation designed both to assure some minimum measure of internal union democracy and effectively to curb corruption and racketeering which the McClellan committee revealed.

It now becomes our task to piece together effective legislation, salvaging a bill rushed to the Senate in a state of complete unreadiness, and transfusing into it the strength and fiber which its sponsors adamantly refused to accept.

I ask unanimous consent that a number of quotations from editorials across the Nation be printed in the *RECORD* at this point in my remarks.

There being no objection, the extracts were ordered to be printed in the *RECORD*, as follows:

EDITORIAL COMMENTS FROM LEADING NEWSPAPERS CONCERNING LABOR REFORM LEGISLATION

Springfield (Mass.) Republican: "There are things in the administration bill which are stronger than any KENNEDY has yet suggested and which are needed."

Tulsa Tribune: "There will be several labor-management reform bills introduced at this session. The first of these is already in. It is Senator KENNEDY's weak-kneed measure. He omitted entirely reference to secondary boycotts, blackmail picketing, Federal Trade Commission regulation of union restraints or the endowment of the Secretary of Labor with power to investigate racketeering cases."

"President Eisenhower's program does not dodge these paramount issues. He proposes bluntly to 'give the Secretary of Labor power to police union fund accounting and require democratic procedure in union operation'; to 'tighten present secondary boycott bans of the Taft-Hartley Act so as to prohibit coercion of employers as well as employees'; to 'prohibit picketing to give a union bargaining rights in cases where employees have indicated they don't want a union.'"

Milwaukee Journal: "The President's 20-point program is remarkable for its restraint."

"But Kennedy needs to be held to his pledge that a second measure incorporating Taft-Hartley changes will be forthcoming. And at minimum, this bill should include the Eisenhower restrictions on picketing, secondary boycotts, and broader powers to the States."

St. Louis Post Dispatch: "The public interest in this affair is an effective but moderate and nonpunitive labor law which includes reasonable restraints on picketing and secondary boycotts as well as rules for funds reporting and union democracy. The

administration bill meets that requirement; the Kennedy bill does not."

Pueblo (Colo.) Chieftain: "Instead of the provision which establishes a new unfair labor practice, which is picketing for the purpose of 'the personal profit or enrichment of any individual by taking or obtaining any money or other thing of value from such employer against his will or with his consent,' the Bureau believes that it is a much broader issue which should prohibit picketing of an employer, whose employees do not wish to join a union, which is commonly disruptive to the business of the employer, but under such pressure forces the employer to give in and sign up whether most of his employees want to or not."

"The Bureau contends that this is compulsion by a minority, or by complete strangers, and not legitimate collective bargaining."

Oakland Tribune:

"Secretary Mitchell has no objection to the two-package approach, as long as one of the packages contains provisions that outlaw secondary boycotts and blackmail picketing, and that there is assurance they will not be sidetracked."

"We must demand," he declared, "that despite obstacles put in the way by special groups, this session of Congress enact the laws that America needs."

"It is not an impossible demand. In truth, it is sensible, and is one that must be met. If the contemporary Democratic leadership for any reason fails or refuses to enact such laws, then the American public will have been deprived of protection that it needs and which a big portion wants."

Wall Street Journal:

"The administration submitted a fairly comprehensive bill designed to protect union members from abuse by their own leadership and to protect the public from certain union abuses. It is a much stronger bill than that offered by Democratic Senator KENNEDY."

"The administration's proposals for dealing with abuses such as secondary boycotts and blackmail picketing are necessary not only in themselves. They are also necessary as grim reminders to Congress and the people that the larger problem of union power must be tackled at its sources, including the unions' immunity from laws applied to all other citizens."

Syracuse Herald-Journal:

"His [President Eisenhower's] new labor bill would tighten restraints, for example, on secondary boycotts and blackmail picketing."

"We agree with Secretary of Labor Mitchell. These are cardinal provisions."

"Neither is in the labor-management reform bill introduced January 20 by Senator JOHN F. KENNEDY."

St. Paul Pioneer Press: "President Eisenhower's proposals for new labor legislation are moderate, constructive and not of a punitive nature. His program is mainly intended to protect honest unionism and the public against corruption and racketeering. He also proposes reasonable regulation of secondary boycotts and so-called blackmail picketing."

Wilmington News:

"On the whole, however, the proposals [the administration's] should have considerable appeal to both labor and management."

"This is true because the President has addressed himself primarily to correcting evils and improper practices that should be ended for the good of all concerned. Employers have much to gain if they can deal with honest unions and honest labor leaders—and the unions themselves, officials and members both, have much to gain from the house-cleaning that these reforms would bring about."

"To our mind, the President should be given credit for addressing himself to the main problem confronting the Congress now and coming forward with a program that

would have a chance of enactment. Certainly it would, if enacted, go a long way to 'assure the American public that true, responsible collective bargaining can be carried on with full protection to the rights and freedoms of workers, and adequate guarantees of the public interest.'"

Kansas City (Mo.) Star:

"Yet as the administration's labor program emphasizes, there is much more to be done. Particularly has Secretary Mitchell emphasized the practices of the secondary boycott and organizational picketing."

"The administration's one-package labor proposal is a comprehensive plan that would give the Nation the fair and workable labor code it has never had."

"Secretary Mitchell has given no ground in his demand for tight regulation of secondary boycotts and organizational picketing * * *. We see nothing punitive in the amendments but, rather, they recognize the obligations of any segment of the economy, be it labor, business or what have you."

"But we detect a growing demand for public protection. It will have to come eventually. Those who ignore the public interest now, will have to accept responsibility for the failure."

San Francisco Examiner:

"Of the two, the administration bill is preferable."

"The administration bill thus deals with abuses disclosed by the McClellan committee's investigation of labor racketeering."

"In addition, it seeks to improve the legal processes for preventing or adjusting labor disputes."

"It would do all that the Kennedy bill purports to do, and some things besides which the Kennedy bill omits."

"In our opinion, the administration bill is an earnest effort to protect the interests of labor, management, and the public. If it has flaws, let them be developed in honest debate."

Hartford Courant: "There is no doubt that the Eisenhower 20-item program is more comprehensive than that submitted by Mr. KENNEDY."

Beaumont (Tex.) Enterprise: "When one considers the vast and growing power of labor unions and the dagger which that power holds at the economic heart of the Nation when unscrupulous men are in control, he must conclude that Mr. Eisenhower's program is moderate and full reasonable."

"With dangerous characters like James R. Hoffa on the loose, one wonders why the Chief Executive's proposals were not even stronger."

Portland Oregonian: "An amendment (in the administration bill) to the secondary boycott provisions would protect employers and employees not directly involved in a labor dispute. But it would clarify the right of a union to picket farmed out work of struck employers and permit secondary picketing of employees engaged in work at a common construction site with the primary employer, under certain circumstances."

"A second proposal * * * is to prohibit picketing for organizational purposes of an employer who has recognized another union in accordance with law, or where a representation election has been held within the past 12 months, or where it cannot be demonstrated that there is a sufficient showing of interest on the part of the employees."

"The use of pickets for the purposes of union organization where no legitimate labor dispute exists cannot be justified. Similarly, the extension of secondary activities against employers and their workers should be clearly banned and the present evasion of the law eliminated."

Plainfield (N.J.) Courier-News: "The Kennedy bills skip over the matter of union secondary boycotts against third-party employers as well as prohibiting picketing

where employees have indicated they do not want a union."

"Democrats and Republicans agree that some action should be taken by Congress in an attempt to take the rackets out of the unions."

"The President's message was designed to curb such abuse."

"When, and if, Democratic Members of Congress are faced with a decision on the questions of secondary boycotts and picketing to force union affiliation they should keep one thing in mind. Some of the Democrats in Congress may owe their election in part to union support, but they were elected to represent all of the people."

Springfield (Ohio) News: "Mr. Eisenhower has presented a package that includes other needed changes in the Taft-Hartley law. Most of these proposals should be enacted, too."

"Most important among them are provisions to outlaw organizational picketing and secondary boycotts, and to protect the integrity of long-term contracts that do not carry reopening clauses. Amendments wanted by labor and recognized as fair by the late Senator Robert A. Taft have to do with the non-Communist oath and eligibility of strikers to vote in representation elections."

East Liverpool (Ohio) Review: "The President's recommendations, if adopted outright, would take unionism off the defensive in the United States and give it the status its most farsighted leaders have sought for it—the status it can never enjoy as long as some elements in unionism are admittedly and brazenly dishonest and corrupt."

Rockford Register-Republic: "Labor-reform proposals submitted by President Eisenhower to Congress Wednesday are much more complete and would be far more effective than the piecemeal bill thrown into the hopper last week by Senator JOHN KENNEDY, the Massachusetts Democratic presidential hopeful."

"The real objective of the President's labor proposals is to put a halt to improper practices without imposing arbitrary restrictions or punitive measures on legitimate activities of honest labor and management officials. Mr. Eisenhower's broad program gets to the core of many of the illegal and strong-arm practices of unscrupulous labor leaders."

"Mr. Eisenhower includes some of labor's requests in his proposals."

"In the main, adoption of the President's recommendations would be a long step toward ending the abuses of power and the improper practices which the public demands be outlawed."

Philadelphia Inquirer: "Sincere friends of labor, Democrats as well as Republicans, have spoken out strongly against both secondary boycotts and blackmail picketing. We believe Senator KENNEDY, in Wednesday's committee session, offered no valuable reasons why his bill should not cover this ground."

"Reform legislation should avoid any undue restrictions upon labor and its essential rights. But the need for real, permanent reforms should not be shrugged aside. The administration labor bill faces up squarely to the task of dealing with blackmail picketing and secondary boycotts. The Kennedy bill does not."

Rock Island Argus: "The Eisenhower administration's labor bill is a considerable improvement over the Kennedy bill, formerly known as the Kennedy-Ives bill."

"It goes further in cracking down on union corruption. It sets up no new restrictions on management in regard to spending for employee relations. Its provisions regarding the Taft-Hartley Act are more realistic."

"It would impose tighter restrictions on secondary boycotts—an issue that the Kennedy bill completely overlooks—and bar organizational picketing where employers have rejected a union."

Wilkes-Barre Record: "Eisenhower presents his program as a complete approach to curbing labor-management abuses, including picketing-boycott provisions."

Pittsburgh Post-Gazette: "But there are important dissimilarities. The administration bill provides stiffer penalties. Under it, for example, employers and unions who violate its terms can lose access to the National Labor Relations Board, and a recalcitrant union can lose its privilege of tax exemption. The administration bill, unlike Senator KENNEDY's, would considerably strengthen the curb on secondary boycotts—on those activities whereby a union in conflict with one employer puts the pressure on other employers who do business with him. And the administration bill would deal far more extensively than Senator KENNEDY's with so-called blackmail picketing—as, for example, when a union tries to force an employer to recognize it as bargaining agent although another union already holds that right lawfully. Senator KENNEDY would ban such picketing only where the object is to extort money from the employer."

Lancaster (Pa.) New Era: "Both deal with racketeering labor leaders; the Jimmy Hoffas, Dave Becks, and Johnny Dios. The Kennedy bill, for all practical purposes, stops there. The Eisenhower measure goes further. It would deal with such matters as secondary boycotts, blackmail picketing, etc."

"On this point, Senator KENNEDY says 'broad Taft-Hartley revisions * * * should definitely be considered by the Congress this year, and I can definitely assure the Senate that a second labor bill will be reported to the floor this year.'

"Well, if the Senator really means that, why not have him accept the President's proposal, merge them with his own and enact them? As a matter of fact, the administration measure is remarkable for its restraints."

Port Huron (Mich.) Times-Herald: "To the extent that it gets to the heart of the obnoxious union practices and would focus publicity and governmental scrutiny on records, President Eisenhower's labor reform bill demands the attention and support of every Member of Congress."

"Because it demands amendment of the Taft-Hartley law to impose tighter curbs on secondary boycotts and outlawing coercive picketing, the administration measure would provide the best answer so far to the unethical practices of some labor unions."

"We can see no justice in continuing a practice which permits picketing to compel an employer to give union bargaining rights in cases where employees have indicated they don't want a union—that's un-American."

Burlington (Vt.) Free Press: "Senator KENNEDY, of Massachusetts, has dropped the pale Kennedy-Ives labor bill in the hopper again, with a few changes."

"KENNEDY leaves out two vital measures which the Eisenhower administration considers vital to labor reform. It does not outlaw the secondary boycott and blackmail picketing."

"KENNEDY defends his weak bill by saying it deals with racketeering only, using provisions on which everyone can agree, and leaves 'problems of collective bargaining and economic power' for separate consideration."

St. Louis Globe-Democrat:

"Of the two labor law proposals now before Congress, that of President Eisenhower is manifestly better for the Nation's welfare."

"Mr. Eisenhower's plan includes virtually all the corrections envisaged by Senator KENNEDY's bill against internal union corruption, bribery, and racketeering. And it goes much further."

"The Ike measure also would prohibit secondary boycotts and outlaw blackmail picketing designed to force an employer to deal with a union representing a minority of his employees—or perhaps no employees at all."

"The secondary boycott should have been barred years ago."

"The Eisenhower proposals are far from harsh to labor, much less rigid than demands made by some of the more conservative members of his party."

"Should any labor measure be adopted by this Congress, in event of a radical upset in present outlook, it certainly should be the President's bill. The Kennedy plan would be the mildest of palliatives, more a pandering to labor than a reform to labor law."

Rockford Register-Republican:

"This form of coercive, or racket, picketing has been used to force owners of numerous small businesses to sign contracts with unions when employees showed an interest in being represented by the unions; in some cases, employers who refused to be intimidated have been subjected to violence."

"Secretary Mitchell spoke for the administration in calling for an effective labor law this year. Without curbs on secondary boycotts and coercive picketing, a labor bill would not get to the core of the problem. It would be only half a loaf."

Dallas News:

"The Kennedy bill contains more whitewash than cure."

"Recommendations in the President's labor message to Congress go much further. In addition to requiring union funds to be properly recorded and publicized as the Kennedy bill would do, the administration would restrain blackmail picketing and tighten down on the secondary boycott."

"The worst result might be that enactment of the Kennedy measure might deceive the public into thinking that labor abuses had been ended and that the issue could safely be forgotten. The big need is to arouse voters to demand a racket curb with teeth."

Lima (Ohio) News:

"Both have something to say on shake-down and coercive picketing."

"But here it seems probable the administration measure will be stricter and more specific. Also that it will supply much-needed definitions and prohibitions on secondary boycotts."

Wichita Falls (Tex.) Times:

"The Kennedy bill, however, still lacks teeth."

"Witnesses who have appeared before the Senate Labor Subcommittee on the Kennedy bill have voiced two major objections. Its provisions do not adequately protect the right of individual union members to have a say in union affairs, which hints that it still won't hit such targets as the Teamster's Hoffa, and it does not stop practices which have enabled corrupt union leaders to get and retain their positions of dominance—organizational picketing and secondary boycotts."

"At this point, the Kennedy bill seems premature and at best only a start, not the finished product, toward the labor reforms which the findings of the McClellan committee have made urgent."

Washington (Pa.) Observer: "But when union processes, such as picketing and jurisdictional boycotts, are used to throttle business enterprises which are not involved in existing labor disputes, certainly unions are going too far."

Columbus Dispatch: "If the final choice is between the administration and the Kennedy measures—and this would seem to be the case—the administration proposal is much more specific and much fairer to the public at large."

Utica Observer-Dispatch:

"Monitor Smith compared the Kennedy bill to a teapot with a hole in it. It looks attractive but it won't work."

"He said he found rank and file teamsters agreed with him that the Democratic bill fails to take care of the question of reprisals and it permits corrupt labor union leaders to

use the most effective weapon they have for corruption and coercion * * *, the recognition of organizational picket lines."

Hudson (Mass.) Sun (under byline of Columnist Ralph Robey): "The administration bill is both a better and a stronger measure. In general it also prohibits wrongdoing within unions, but it goes farther. It also provides controls over secondary boycotts and coercive picketing."

San Diego Union:

"If we are to have labor legislation worthy of the name, the rights of the worker must be protected. He cannot be permitted to be used as an instrument for entrenching and expanding the power of a corrupt labor boss. The secondary boycott and blackmail picketing can be used to force the worker to be an unwilling accessory to extortion."

"The Eisenhower administration has shaped its labor bill to meet these evils. But Senator JOHN F. KENNEDY, Democrat, of Massachusetts, has ignored them in his proposed legislation. Senator KENNEDY's thesis is that a bill protecting union democracy and touching on procedural reforms within the unions is enough."

"But corruption is much more than an internal affair. It affects the national interest. It will do no good to disclose the symptoms of corruption without striking against the basic causes of it. Secondary boycotts and blackmail picketing have been identified as causes."

"If that is so, they should be eradicated. Organized labor has a responsibility in this, too, and must give its best consideration to the proposed legislation."

Ogden Standard-Examiner: "President Eisenhower demands a ban on blackmail picketing and secondary boycotts in any labor legislation Congress passes. Secretary of Labor James P. Mitchell is backing him up in these demands. They have a tough fight on their hands but they deserve to succeed."

San Diego Tribune:

"The two proposals show their major differences when it comes to outside reforms."

"The administration bill is much broader in this respect. It contains provisions against secondary boycotts and blackmail picketing."

"The Kennedy bill does not touch these problems. The Senator maintains that amendments to the Taft-Hartley Act—the place to get at such matters as picketing and boycotts—ought to be placed in a separate labor reform bill."

"But these are the very abuses about which the public has been aroused by disclosures of the McClellan committee."

"Do-nothing or half measures simply won't do in 1959."

Pensacola Journal:

"It will be remembered that a second labor bill never got through the last session and Secretary Mitchell, therefore, is wise in urging that the pressure be kept on the Democrats not to forget the whole package."

"The public is fed up with many of labor's practices and the Democrats will lose rather than gain support if they fall this time to put through adequate controlling legislation, especially as they have plenty of votes to do so."

Peoria Journal Star:

"The milkshop Kennedy-Ervin labor bill sailed through the Senate labor subcommittee yesterday without the prohibitions of blackmail picketing and secondary boycotts which are necessary to any effective labor legislation."

"It will not be satisfactory to the country, nor will it be of any effect in curbing labor abuses, unless the amendments voted down by the subcommittee are added to the bill before it receives final Senate action."

Knoxville Journal:

"As has been pointed out here, even when finally enacted the Kennedy bill will achieve

nothing so far as the public is concerned. The bill has been presented to the country as one which is supposed to protect the money of the union member as well as other rights of the country as a whole.

"The worst thing about it—and undoubtedly this represented KENNEDY's real purpose in offering it—is that its enactment will effectively block all attempts to pass a bill which would really meet the requirements of the country in respect to placing a curb of some kind on union bosses' power. The majority in Congress will take the position that a reform bill has already been placed on the books and no additional legislation is therefore needed."

Bristol (Conn.) Press:

"Secretary of Labor James P. Mitchell has long been on record against any legislation which could be described as punitive toward labor. His record with reputable labor leaders has been a good one.

"Under the circumstances, it might be reasoned that when the Secretary speaks of the type of legislation needed to correct labor abuses that labor leaders might be inclined to side with them convinced that he really has their interests at heart.

"Mitchell is convinced that the Congress must act into law the most just proposals now being considered and he further considers the administration bill as the best that has been offered.

"He has told the Congress that Senators LYNDON JOHNSON and JOHN F. KENNEDY have the votes to do as they wish. No half measures will suffice. Despite obstacles which will be posed by special interests, it is up to Congress to pass the type of legislation that America needs."

Greenville (S.C.) News:

"The administration's offer to accept a two package labor bill this year puts Congress right where it belongs—on the spot.

"Until Secretary of Labor Mitchell made the offer, there seemed a good chance that Congress would put on a repeat performance of last year's fiasco when no labor bill at all was passed. As a result, even the hoodlums infesting the union business escaped punishment.

"This year Senator KENNEDY has announced he will offer again his mild bill. It is on the side of the angels, carrying the stamp of approval of both the AFL-CIO and the NAM. It is aimed only at the hooligans like Jimmy Hoffa and Johnny Dio and the union treasury robbers like Dave Beck who have disgraced the union movement.

"But Secretary Mitchell and several Senate and House Members promise not to rest on that. They will also back legislation aimed at curing other ills flowing from the abuse of union power."

Akron Beacon-Journal:

"Whatever the packaging, it's the product that counts."

"With these words Secretary of Labor James P. Mitchell made it clear that the administration won't argue as to whether Congress writes labor legislation in one bill or in two.

"This puts responsibility squarely on the Democratic leadership. There can be no excuse for failing to pass antiracket legislation, which is supposedly favored by almost everyone but which got shunted aside at the last session."

[From the Savannah Morning News, Mar. 27, 1959]

FREE UNION MEMBERS FROM BONDAGE

There's an old joke about the Boy Scout who was asked by his Scoutmaster, "What did you do as your good turn today?"

"I helped an old lady across the street," replied the lad.

"Good for you," said the Scoutmaster.

"Yeah," said the boy. "I had a hard time doing it, too. You see, she didn't want to cross the street."

The story points up the core of the issue involved in labor reform legislation now pending before Congress. Many labor bosses, in the name of doing a good turn, force "help" upon a person who didn't ask for help and compel him to do something he didn't want to do in the first place.

Free workers have every right to organize voluntarily. But no one has the right to force them to organize involuntarily.

While the issue is clouded in many thousands of words, basically it is a question of free voluntary unionism versus slave involuntary unionism.

The Democratic-sponsored Kennedy bill (S. 505) confines its reforms principally to better measures for putting certain crooked labor bosses in jail. It would, however, leave the door wide open for continued coercion in the name of labor. It would, in effect, permit the Boy Scout to qualify for his good turn by dragging the old lady across the street by her gray hair if she refused to come along nicely.

The administration-backed Goldwater bill (S. 748) also provides for better methods of putting the crooks in jail, and it does a more thorough job in this respect than the Kennedy measure. But on the matter of coercion, it provides that the wishes of the old lady be taken into consideration before any good turn is chalked up for the day.

Every evil, every form of labor corruption that has been brought to light by the McClellan committee, may be traced to the source of involuntary unionism. Whether they involved payoffs for insurance, mismanagement of pension funds, bribery for soft contracts, shakedowns of legitimate business for protection, stealing in the form of loans that are never repaid, or any other form of corruption, in every case it was the result of machinations of union bosses individually. In no instance did labor itself—that is the union members—vote to permit these crimes in their name.

The reason is simple—their union membership had little meaning and therefore it engendered little responsibility. Many members never joined, they were signed up when they applied for work. They had about as much say-so about it as about their withholding tax. Often they had less, for Government elections guarantee the right to vote whether your dues are paid or not, and they are held more frequently than some union elections.

A case this week in Miami, Fla., involving the Teamsters, Jimmy Hoffa's notorious racket, is an example. The union bosses sought to bring pressure on an employer by exploiting racial tension—the workers themselves didn't even know what was going on. Had the workers wanted to join the Teamsters, they could have done so very easily, and they could strike if necessary for concessions from employers. But that isn't the way such unions are run. The union boss deals directly with the employer—the workers are just pawns. If the employer yields, the men don't join, they are signed up whether they want to or not, or fired, and the union begins extracting tribute. Those who protest are advised to make sure their accident insurance is paid up.

Other unions which wear the mantle of respectability are just as guilty. When loopholes in the law permit the bosses to enjoy a guaranteed dues-paying membership, there is no incentive for responsibility to the members. After all—they can't get disgusted and quit, not if they want to eat.

The way to have responsible unions is to make them responsible—to their own members, by emancipating these members from all forms of compulsion. The union bosses are spending millions to defeat legislation that would free their own members from bondage.

Let every provision of the opposing labor reform bills be examined in the light of whether it will increase the influence of

union members or union bosses. And let's have the courage to resolve every case in favor of union members.

[From the Palm Beach Post-Times, Apr. 5, 1959]

MAJORITY PARTY

The "majority party" in the United States today is Walter Reuther's COPE—organized labor's Committee on Political Education.

That was the flat statement of U.S. Senator KARL E. MUNDT Republican of South Dakota, before a meeting of the Executives Club of the Palm Beaches here last week. In support of his contention he declared that COPE has more political workers, more publications, and more campaign funds than the other parties combined. And more Members of Congress, he said, are beholden to COPE than to either the Democrats or the Republicans.

Assuming that this is true—and we have no reason to doubt it—whither are we heading?

The present direction, at least, is obviously toward the Socialist-Labor government about which Donald R. Richberg warns in his book on the labor union monopoly. If such an economic dictatorship is achieved, the end is in sight for the constitutional government and constitutional liberties which made America a great Nation.

Already millions of working people are living under a form of dictatorship, imposed on them by a handful of labor bosses who even now are working hard to tighten their grip on their subjects. Their immediate objective toward that end is passage of what purports to be a labor reform bill now before the U.S. Senate—the so-called Kennedy-Ervin bill.

Senator MUNDT termed this a "namby-pamby" piece of legislation which has not a single effective paragraph in it. Ostensibly designed to protect the rights of the individual worker as well as those of the general public, it lacks the basic elements needed to accomplish either objective.

Most glaring deficiencies of the bill are its failure to deal with the two worst racketeering abuses disclosed by the McClellan committee hearings—secondary boycotts and blackmail picketing. It gives the membership no control over strikes, provides no fiduciary relationship between dues-paying members and their fund-handling officials, and ignores the practice of compulsory levies for political purposes.

It does carry a requirement for an honest, secret ballot in electing union officers, but makes no provision for an honest count of the ballots. Neither does it guarantee union members freedom of speech on union matters, equal protection of union rules, the right to a fair trial for alleged infraction of union rules, nor the right to appeal an adverse decision.

It should surprise no one, then, that the Kennedy-Ervin bill has the support of the union bosses. And Senator MUNDT, among others, sees in this fact the measure of the bill's value as a labor reform measure. The big union bosses, need some innocuous piece of legislation which they can sell as a cure for the evils disclosed by the McClellan committee to a public which was aroused, and, for a time at least, was demanding an effective remedy.

Sad to say, even the Florida delegation in Washington has shown a tendency to go along with this legislative farce. When the prototype of the present bill went through the congressional mill last year—the Kennedy-Ives bill—only Representatives HERLONG, HALEY, and CRAMER voted against it. Voting in favor were Senators GEORGE SMATHERS and SPESSARD HOLLAND, and the Representative from our own district, PAUL ROGERS. The bill was defeated in the House, but with the new COPE-stacked Congress,

its successor may be rammed through this year.

If it is, COPE and ADA will have scored a signal victory, and the Democratic and Republican minority parties will have been shoved farther into the background. The powerful labor bosses will have been appeased, political expediency will have been served, and the Reuther forces will have advanced another giant stride toward complete control.

We will let Senator MUNDT ask the pertinent question: "Are we going to face the facts and keep America free—and American?"

NEED OF EXPANDED AIRLINE SERVICE IN KANSAS

Mr. CARLSON. Mr. President, Kansas is greatly in need of expanded airline service. In large areas in my State no present airline service is available. The lack of such service is working to the detriment of many communities in more than half the State.

There is pending before the Civil Aeronautics Board an application for greatly expanded airline service, under docket No. 5482. Extended hearings have been held and I cannot urge too strongly early action on the application.

Yesterday, at Salina, Kans., a meeting was held by representatives from the affected areas, including Great Bend, Hays, Manhattan, Pittsburgh, Goodland, Topeka, Oberlin, Concordia, Beloit, Salina, Emporia, Parsons, Independence, Kansas City, Junction City, and Hill City, who urged immediate action on docket No. 5482.

I ask unanimous consent that the telegram may be made a part of these remarks and printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SALINA, KANS., April 16, 1959.

HON. FRANK CARLSON,
Senate Office Building,
Washington, D.C.:

The undersigned cities and their respective chambers of commerce meeting in Salina, Kans., this date as Mayors' Committee of the State of Kansas through the auspices and organization of the Kansas State Chamber of Commerce; do hereby jointly and severally protest any further delay or continuance in the Kansas-Oklahoma local service case, docket No. 5482, et al., and respectfully request an early decision therein.

R. E. Morrison, Great Bend; Merle O'Loughlin, Hays; Myron Rooks, Manhattan; James Bevell, Pittsburg; Selby S. Soward, Goodland; Lawrence R. Smith, Topeka; Marie Engleman, Chairman Joint Cities of Western Kansas—represents 12 western cities; Donald Frederickson, Oberlin; Dean W. Larson, Concordia; Wayne Moran, Beloit; Harold Yeager, Salina; H. E. Hamlin, Emporia; Keeney Charles, Parsons; R. P. Johnson, Independence; Charles F. Arnold, Kansas City; Robert K. Weary, Junction City; Don Fredrickson, Oberlin; Ralph Bethell, Hill City.

FREE WORLD REGRETS DULLES' RESIGNATION

Mr. WILEY. Mr. President, the resignation of Secretary of State John Foster Dulles has sorrowfully stirred the hearts of men, not only in this country, but

around the world. At the same time, it has stimulated a reevaluation of his outstanding role as Secretary of State.

The heartfelt regrets expressed by the President, Members of Congress, and other leaders and responsible people in this country and abroad have been multiplied manifold in other lands. Over all, these illustrate the high esteem and respect which Mr. Dulles' service to his country and to the cause of world peace has engendered in the hearts of mankind.

As could be expected, the single exception is the report of joy in the Communist bloc. However, this too, in its own way, is a tribute to Mr. Dulles' contribution to the cause of peace and freedom—to his stalwart opposition to the efforts of communism to expand its sphere of control and influence.

A major conviction and a realistic one by which Mr. Dulles conducted policies relating to the Communists—which, no doubt, they disliked—was that no agreement with Moscow was worth anything, unless it was self-enforcing.

As we look to the future, we get a better idea of this great man's service to his country if we assess the scope and magnitude of the responsibility which must now fall upon his successor.

Today's newspapers carry tributes to the Secretary's outstanding service to his country, as well as report the sorrow and regret felt around the world at his resignation.

I request unanimous consent to have one such article, by Joseph W. Grigg in today's Washington Post and Times Herald, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONLY RED BLOC CHEERED BY NEWS DULLES MUST QUIT STATE DEPARTMENT

(By Joseph W. Grigg)

LONDON, April 15.—America's free world allies expressed shock and sorrow today at the resignation of U.S. Secretary of State John Foster Dulles. The Communist Czech radio applauded the news.

Radio Prague said Dulles' resignation was the "farewell of a typical representative of the outdated and old-fashioned power policy." It was the first comment from behind the Iron Curtain.

Russia's Tass news agency distributed the news of Dulles' resignation without comment. Dulles has been the Kremlin's chief "whipping boy" for years although the campaign of vilification had been somewhat muted since his illness.

UNEXPECTED TRIBUTE

However, an unexpected tribute was paid to Dulles by an unidentified diplomat at the Soviet Embassy in London. "Leaving policies aside, the man's devotion to his principles were indeed admirable," he said.

President Eisenhower's announcement came as a shock, even though it was not unexpected.

This was mixed somewhat with a feeling of relief that the die was finally cast. Some Western officials felt the continued uncertainty about United States policy leadership was a grave weakness for the West.

A saddened Prime Minister Harold Macmillan heard the news a moment before walking with bowed head from his official residence at 10 Downing Street on his way to Parliament.

"This is indeed sad news," he told Commons. "President Eisenhower once referred

to Mr. Dulles as a dedicated man. From my long experience of him, I know how true this is."

British Foreign Secretary Selwyn Lloyd expressed "profound regrets at the decision that had to be taken."

French President Charles de Gaulle was meeting with his cabinet in Paris when the news arrived. There was no immediate comment from de Gaulle.

DULLES VIEWED AS SYMBOL

However, Premier Michel Debré, Foreign Secretary Maurice Couve de Murville, and other members of the government lauded Dulles.

"Whatever the differences there has been between the Western Powers, Dulles will remain a symbol because of his courage and fortitude," Debré said.

Couve de Murville said "it is sad news to me, for Mr. Dulles was a personal friend whom I liked and admired very much."

A statement issued by the West German Government at Bonn said Dulles' resignation was a heavy loss not only for the American people but also the whole free world—and especially the German people.

Adenauer, vacationing at Lake Como in Italy, voiced his deepest regrets, according to a spokesman.

German opposition Socialist Deputy Chairman Herbert Wehner expressed sympathy for Dulles in spite of past sharp disagreement with some of his cold war policies.

In London, opposition labor leader Hugh Gaitskell said he sometimes disagreed with Dulles but was sorry to see him resign.

Buckingham Palace said through a spokesman: "Queen Elizabeth will be saddened by the news."

Field Marshal Viscount Montgomery also expressed sorrow and said the West has lost a tower of strength and Britain a great friend.

COMMENT ELSEWHERE

There was this reaction elsewhere:

Rome: Italian Foreign Minister Giuseppe Pella voiced his deep regret.

The Rev. Avery Dulles, a Jesuit in Rome, tonight refused comment.

Vienna: Foreign Minister Leopold Figl said "it is a regrettable fact that Dulles had to decide on his resignation at a time just before important political decisions."

Tokyo: Foreign Minister Aichiro Fujiyama expressed regret.

The Hague: Netherlands Foreign Minister Joseph M. A. H. Luns said Dulles' resignation is a great loss to the free world.

Barcelona: Turkish Foreign Minister Fatin Rustu Zorlu, visiting Spain, said Dulles "deserves the respect and admiration of all who love liberty." Dulles, he said, "was one of the persons who had contributed the most to the fight for peace."

Ottawa: Prime Minister John Diefenbaker and Liberal Opposition Leader Lester B. Pearson expressed regret. Diefenbaker paid tribute to Dulles' dedicated purpose and unchallengeable integrity.

GOVERNMENT RELEASE OF STOCK-PILED COPPER

Mr. MANSFIELD. Mr. President, the copper market in London since March 16, only a month ago, has dropped from \$0.3240 to \$0.2890, a decline in the price of copper of 3½ cents a pound.

On yesterday there was submitted in this body a resolution cosponsored by 20 Senators, asking that the administration not release any of the 128,000 short tons of copper it has in 1 of its 3 stockpiles. In that resolution it is stated:

That it is the sense of the Senate that the best interests of the country, from both

the national security and economic standpoints, will not be served by the release of any part of any governmental inventory of copper at this time, but on the contrary incalculable damage to the national security and the economic well-being of the Nation would result by such action.

Mr. President, for more than 2 years the hard rock mining industry has been in difficult straits. Only in the past 5 or 6 months has there been a comeback of sorts.

This morning I called Mr. Walter Dougherty, the financial secretary of the Butte Miners Union and he informed me that in Butte at the end of March the number of dues-paying miners was 2,376. This is approximately 500 more than the number employed 6 months ago. Mr. Dougherty told me that he did not have the figures of the number of craftsmen working in and around the Butte mines, but it was his understanding that including craftsmen with the miners the total number of those employed was approximately 3,020.

In the southern section of Butte there is a manganese plant but only 3 dues-paying members are working there at the present time, whereas 2 years ago there were in excess of 150 workers.

Mr. President, these facts indicate the difficulty which those of us who come from the hard rock regions confront. Copper, lead, and zinc are the hardest hit of all the metals, and they have been the hardest hit for a long time.

I know the distinguished Presiding Officer of the Senate, our colleague from Utah [Mr. Moss] is well aware of the situation in his own State, as is my colleague the distinguished Senator from Arizona [Mr. GOLDWATER], who had something to say about this matter yesterday.

I should like to point out to the Senate that 2 years ago more than 5,000 men were working in the Butte copper mines. Today, including the craftsmen, only a few more than 3,000 are employed.

If the decline in the price of copper continues—and such decline could be brought about by the release of 128,000 short tons in Government stockpile—it will mean that a depressed condition will become much more depressed. I hope, therefore, that the Office of Civil and Defense Mobilization, under the direction of former Governor Hoegh, of Iowa, will see fit immediately to issue a statement that so far as the Government of the United States is concerned none of the 128,000 short tons in the stockpile will be released, to further depress the domestic economy in this particular field.

I wish to invite the attention of the Senate to the fact that since yesterday copper has dropped another three-fourths cent on the London market. As a result, because of the uncertainty and the possibility that the stockpile may be released in whole or in part, a depressed condition has been created in the industry which will become worse and not better unless and until the situation is brought to a head.

So I ask, in behalf of the people whom I, in part, represent, the copper miners in Butte and in the Rocky Mountain West, that some action be taken by this administration which will afford some

stability and a little encouragement to this industry at this time.

This morning I called Don Paarlberg, one of the President's assistants at the White House. Mr. Paarlberg told me that the matter was under discussion but no decision had been reached.

In the interest of all concerned, and especially insofar as our own economy is concerned, I hope that this matter will be settled once and for all.

I also wish to point out in this respect that, though it is only a rumor, it is my understanding, on the basis of a purported statement made by Mr. J. Roy Price, who is an Assistant Director of the Office of Civil and Defense Mobilization, that supposedly contacts of some sort were to have been made with Canada, Mexico, Peru, and Chile, to indicate to them that there was a possibility this was going to be brought about.

Therefore, not only is it important to our domestic economy that the Government's stockpile be maintained and not released, but also it is important in the field of Western Hemispheric relations.

I conclude, Mr. President, by stating once again that this matter, which is so important to the economy of the western area of the country, should be given serious consideration, and, in line with the suggestion made by the Senator from Arizona [Mr. GOLDWATER] on yesterday, that "this copper should be removed to a jurisdiction which would prevent any possibility that it could be dumped on the markets."

In that way we could be sure that the one stockpile over which the Congress has no jurisdiction—as it evidently has no jurisdiction over this stockpile—would be put in one of the other two stockpiles and thereby would be subject to the will and the intent of Congress. In this way we would at least have to be advised of what was going on and then be in a position to do something about it.

ITALIAN DECISION TO ACCEPT IRBM MISSILES

Mr. SALTONSTALL. Mr. President, as a member of the Armed Services Committee, I was glad of the Italian decision to accept IRBM missiles. It deserves to be acknowledged as a gesture commanding respect and appreciation. In fact, Italy was the first country in continental Europe to reach agreement for the stationing of these weapons on its territory for its own as well as for Western defense. As we all know, Great Britain had already done so.

The Italian Government, although aware of the fierce opposition it would have met at the hands of the Communists, persevered in its initiative in the firm belief it would thus serve the interests of its own people as well as the interests of general peace.

I believe that in the face of the violent campaign launched by the Communists against the democratic government of Prime Minister Segni we want to pay our tribute to all freedom-loving Italians.

I am convinced that there is nothing more hypocritical than the intimidating campaign the Communists have been waging for years and that now is being

reenacted in Italy. These weapons do not represent a threat against anybody, for they will never be used for aggressive purposes. These weapons, like all the rest of the NATO system, have a purely defensive character.

It is one more move that aims to the strengthening of the free world defenses and represents a bulwark against the aspirations of world domination by international communism.

Like the United States, we know that Italy has long since stated its position in favor of general and controlled disarmament. Italy has also participated in the Geneva talks on prevention of surprise attacks whose progress has been frustrated—as is the case in other fields of disarmament—by the constant Soviet refusal to consent to valid systems of control.

The Communists should be well aware of all this and should exert their pressures on the U.S.S.R. in order to make disarmament possible—not on freedom loving countries.

Mr. President, the governments that have been in power in Italy since World War II have given proof of great insight and political foresight. The decision of Prime Minister Segni's government falls in line with the policies of Western solidarity and courageous and timely sense of responsibility that were first outlined by the late Signor De Gasperi.

For these reasons I join in applauding its initiative, but also emphasize the ever increasing importance that Italy has in world affairs and the wisdom of the Italian Government in international decisions and the value of consultation with them prior to the forthcoming talks between the East and West.

THE INTERNATIONAL COURT OF JUSTICE

Mr. HUMPHREY. Mr. President, I wish to commend Vice President Nixon for his address on Monday evening, April 13, before the Academy of Political Science supporting the proposal that the International Court of Justice be more fully utilized as an effective instrument of world peace.

For many years I have advocated greater reliance on the use of law rather than force to settle international disputes. It is gratifying to see more and more men in public life lending their support to such an idea.

The International Court of Justice as a means of settling disputes between nations was supported by President Truman over 13 years ago. The Court was forcefully and ably backed by the Honorable Dean Acheson in 1946 before the Senate Foreign Relations Committee when he spoke on behalf of President Truman's administration in his role as Under Secretary of State.

The Senate of the United States on August 2, 1946, by a vote of 62 to 2 approved Senate Resolution 196, as introduced by the distinguished senior Senator from Oregon [Mr. MORSE] and declared acceptance by the United States of the jurisdiction of the International

Court of Justice in all legal disputes concerning the interpretation of a treaty and any question of international law.

The resolution quite properly provided that the Court's jurisdiction would not apply to "disputes with regard to matters which are essentially within the domestic jurisdiction of the United States."

An amendment, however, was added on the Senate floor—the so-called Connally amendment—which provided that the United States itself would determine which were domestic disputes and therefore not within the Court's jurisdiction. Similar reserve clauses were later adopted by almost all of the countries which have accepted the Court's jurisdiction. As a result, the International Court of Justice has operated with its hands tied. Since the Court was established in 1945, it has decided only 10 cases.

There is general agreement among students of international law that the Senate's adoption in 1946 of the Connally amendment was one of the major causes for the International Court of Justice being so ineffective. This is what the distinguished lawyer, Charles S. Rhyne, past president of the American Bar Association, and present chairman of the Committee on World Peace Through Law of the American Bar Association said on this point this past March 10:

I am therefore firmly convinced that one of the major causes for the empty courtroom of the United Nations' Court is the Connally reservation which was created by the U.S. Senate, is maintained by the U.S. Senate, and can be removed by the U.S. Senate.

In order to make the International Court of Justice a more effective instrument of world peace through law, during the past month I submitted a resolution, Senate Resolution 94, which would delete this reserve clause.

I was, therefore, most edified to note the Vice President's assurance in his April 13 address that the administration will in the near future submit to the Congress its recommendations for modification of the reserve clause.

Quite frankly, I have been quite puzzled as to the reason for the administration's delay in submitting such recommendations in view of the President's indication in his state of the Union message that proposals would be forthcoming concerning our relationship to the International Court of Justice.

I have also asked the State Department to give us its observations and views on Senate Resolution 94. Such a statement has not been forthcoming. There has been no indication from the appropriate agencies of the executive branch.

When I submitted my resolution I said:

I hope the administration will support my resolution. I hope the State Department will come before the Committee on Foreign Relations and in its testimony offer its support to the resolution.

The announcement this week of the administration's interest in the Court gives me reason to believe that perhaps my hopes will prove fruitful. Nothing could please me more. This is an issue which rises above and beyond partisan

politics. Efforts to advance the cause of world peace through law demand the support of leaders of both of our great parties united in a common cause on behalf of peace based upon justice.

It is only logical that the United States, which has a Government based upon the rule of law, rather than the rule of men, should take the lead in promoting the International Court of Justice. It is not an accident that none of the Communist countries has ever agreed to submit to the jurisdiction of the Court to settle international disputes.

The time is now at hand for the Senate of the United States to give concrete evidence of our desire for world peace through law by deleting the reserve clause. I may add that it is also late, and time is running out for the executive branch to give us its support and its sense of guidance and direction.

Even if the Soviet Union continues to reject the Court's jurisdiction, our action will indicate to the world which country is for a just peace based upon law and which is not. We have, I submit, Mr. President, nothing to lose and everything to gain. But it will require some executive leadership, and not merely a few paragraphs in the state of the Union message. The resolution is here. What we need now is an indication from the President and the State Department that their interest in it is broader than merely a speech by the Vice President, who gives us his assurance of sincere interest in the question of effective rules of law among the nations of the world.

GOVERNMENT BONDS

Mr. GORE. Mr. President, a considerable number of bonds of the U.S. Government reached alltime lows yesterday. This represents a loss of many millions of dollars to many citizens who bought bonds of their Government in good faith. Victory bonds were selling at a little above 84 yesterday. This trend toward lower Government bond prices has been promoted by policies of our Government. The present situation has been brought about partly by those policies. If they are continued, the consequences will be even more severe than those already apparent, which are severely hurtful.

STATE INCOME TAX ON EARNED INCOME OF NONRESIDENTS

Mr. JAVITS. Mr. President, a subcommittee of the Senate Committee on the Judiciary is presently holding hearings on a proposed constitutional amendment to limit the powers of the States to tax the personal income of nonresidents. I emphasize that it relates to earned income. While these hearings have focused on the situation as it affects the States of New York, New Jersey, and Connecticut, also concerned is every one of 32 States which imposes a similar State income tax. I am therefore raising the issue now to call it to the attention of my colleagues from all these States, as it is important to all of us.

It is a matter in which the decision must finally rest on what is fair and

proper to the individual and to the incentive he has to remain at his work, as well as on what is essential to the budgets and financing of so many States.

At the present time 17 States are without an income tax, while 32 States impose such a tax, and every one of the latter taxes the income of nonresidents whose income comes from within such States. The pending constitutional amendment would permit the residents of the 17 States to work in a neighboring State, reap the full benefits of its government, its economy, and its business climate, without making any direct contribution to these factors. Yet their employment opportunities and their earning power are built upon the existence of effective State and local government in the place where they are employed and the manifold levies of government there.

There is little doubt about the legal right of the State where a man works to tax his income. It has been established by Supreme Court decisions, and the present move to deal with the situation by way of a constitutional amendment bears out the legal situation. The witnesses appearing before the subcommittee are addressing themselves to this phase of the problem in an expert manner. I am addressing myself to the moral right—the inherent fairness of imposing such taxes on nonresidents, so that they can carry their share of the load.

Would it not be absurd if a man could get up in the morning, cross a State line to go to work, earn his pay, take his amusement, be protected, and spend most of his waking hours in a State where he does not have his home, and then, by crossing the State line again in the evening, contribute nothing to the operation of the place where he passes most of his life? He certainly should bear the cost for his fair share of the benefits received all day long out of his earnings from the economy of the State where he works. Otherwise, it would be discriminatory against the other citizens of that State.

There is always a claim of inequity in any tax system. In my own State of New York there is a situation covering allowable deductions for residents and nonresidents which has been the basis for much criticism by nonresidents, though there are substantial reasons for this differentiation, and it has been specifically upheld by the Supreme Court. I certainly favor adjustments to meet the criticism so far as possible. However, the way to deal with these problems is not to destroy the power of the State to tax what is legitimately subject to tax. As a matter of fact, Governor Rockefeller, of New York, has taken up this matter with the Governors of the adjacent States of New Jersey and Connecticut, whose citizens are most concerned, in order to work out needed adjustments. The preliminary report on the committee, which was published in December 1958, recommended some revisions on this basis, and the present administration of the State, in the full knowledge that this will have the effect of reducing somewhat the needed State

revenues, will try to negotiate a fair formula.

The principle that such taxation is proper should not be taken away by constitutional amendment, but every effort should be made to make it reasonable and fair. Otherwise, an adverse public opinion could well create receptivity to a restriction on the State power of taxation.

I ask unanimous consent to make a part of my remarks, for the enlightenment of my fellow Members of the Senate, a statement issued by the Honorable Joseph H. Murphy, commissioner of taxation and finance, and president of the New York State Tax Commission, before the Senate Committee on Constitutional Amendments; also a very interesting report made at the special request of the preceding Governor of New York, the Honorable Averell Harriman, which outlines the problem and states various types of adjustments which might be made.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE HONORABLE JOSEPH H. MURPHY, COMMISSIONER OF TAXATION AND FINANCE, AND PRESIDENT, NEW YORK STATE TAX COMMISSION, BEFORE THE U.S. SENATE SUBCOMMITTEE ON CONSTITUTIONAL AMENDMENTS, WASHINGTON, D.C., APRIL 16, 1959

Mr. Chairman, my name is Joseph H. Murphy, commissioner of taxation and finance and president of the New York State Tax Commission. I have been asked by Gov. Nelson A. Rockefeller to represent him before you.

I should like to thank you, not only on my own behalf but also on behalf of Governor Rockefeller, for this opportunity to present the views of New York State on Senate Joint Resolutions 29 and 67.

As I understand it, Senate Joint Resolution 29 prohibits State taxation of income derived from personal services of nonresidents. Senate Joint Resolution 67 contains a similar prohibition, with certain ramifications not here material.

As Governor Rockefeller has indicated in his letter of April 9, 1959, to the Honorable JACOB K. JAVITS and to the Honorable KENNETH B. KEATING, Members of your honorable body, the State of New York is unalterably opposed to amendments of this nature.

Personal income taxation is a most provocative subject today—regardless of who is affected. We in New York have had considerable reason in recent months to be most sensitive to the implications of any action in this area. In the field of State taxation of nonresidents, we have had the king-size version of a nationwide problem.

State taxation of nonresidents is another of the social and economic problems created by complex metropolitan areas which embrace more than one State. These problems are not new in New York, but they have been greatly magnified in recent years as transportation facilities have been improved, as living standards and incomes have risen, and as the desire for home ownership has been heightened.

It would be a repugnant arrangement, indeed, if Government could decide that individuals must live in the same State from which they derive their livelihood.

Naturally, there has never been any question in this country about the inherent right of a free choice of residence. Nonetheless, problems do arise when the choice is made to reside in a State other than the one of employment. New conditions are created

which, at first blush, seem difficult to reconcile with historical concepts of the citizen's relation to his government.

However, a large part of the problem of nonresident taxation, in the public mind, at least, stems from a misunderstanding of the conditions under which a citizen can be subject to taxation by two jurisdictions. This, then, is the framework within which lies the special problem of income taxation of nonresidents.

In New York State the concern of our administration is no different with respect to nonresidents than it is with respect to those who both work and reside within the State. The man who works in New York but takes the ferry home in the evening is every bit as much a part of our community as the man who rides home on the subway. Whether he is a New Jersey machinist working on a missile project on Long Island, a Connecticut stockbroker on Wall Street, or a Vermont making turbines in Schenectady, his well-being is inextricably tied to that of the State of New York. We are equally indebted to these individuals for their individual productivity, their ingenuity, and industry.

These great indispensable human resources, we believe, must be carefully tended and developed if we are to prosper. Consequently, we can ill afford to antagonize in any way or to subject to discriminatory taxation any segment of our work force. For above all, our new administration in New York is attempting to implement by direct and practical means the primary goal of maximum progress through economic growth. Any form of repressive taxation can hardly contribute to this progress.

I am sure you are quite aware that we in New York have had to make some hard decisions in the tax field in recent months. We have had to recognize that the economic health of the State is intimately tied to the soundness of its financial condition. This, in turn, requires a tax structure adequate to meet our urgent requirements but carefully designed to minimize interference with economic growth. Nonetheless, the ancient burden of taxation, we feel, cannot be and indeed should not be disguised or sugar coated. It is a bitter medicine, but like all good medicines it should improve the health of the patient.

As we move nearer the goals we have set for ourselves, the obvious rewards will not be confined to those who reside in New York State. You may rest assured that as I am speaking now, the great human and economic resources of the State of New York are being mobilized for this effort.

For the past 40 years of State taxation of personal incomes, there has been virtually constant argument regarding the treatment of nonresidents. There has been much discussion, for example, about the relative priority of tax claims over the income of nonresidents as between the State of residence and the State of employment. Although there is an abundance of strong arguments on both sides of these questions, the basic legal issues have long since been resolved.

In an early and crucial case in this area, Mr. Justice Pitney, in affirming the rights of States to impose an income tax on nonresidents, succinctly stated the essence of the matter—that a State "may levy a duty of like character and not more onerous in its effect upon income accruing to nonresidents from their property or business within the State or their occupation carried on therein."

We in New York, and I believe all the other income tax States, adhere to the belief that the measure of a taxpayer's liability should be the benefits conferred upon him by the taxing jurisdiction. These benefits, I shall attempt to show later, are numerous and extensive with respect to his economic and social welfare.

At the hearings which preceded the adoption of our New York law in 1919, the question of what to do about nonresidents was discussed at great length by the legislators and their staff of experts. They felt that taxing residents only would lead to considerable emigration to neighboring States which had no income tax. In reviewing the deliberations of the legislative committees of that time it is clear that the decision to tax nonresidents was not based primarily on the desire for additional revenue, but rather because it would be the means for discouraging future tax avoidance through emigration. Our experience with taxpayers of all kinds indicates that that conclusion is just as sound 40 years later as it was then.

In recent years there have been countless instances where tax laws in some jurisdictions have given rise to situations in which taxation or some particular feature of it has become one of the major determinants of economic behavior. This is certainly alien to what we in New York feel should be sound tax policy consistent with basic democratic principles. If I were to select one principle of taxation to which we firmly subscribe I would choose this one—that tax laws should be revenue measures, which, in and of themselves, do not introduce artificialities in our business conduct. A corollary, of course, is that tax laws should not be such that they become primary determinants of our behavior in other spheres.

If nonresidents were to be exempted from taxation in New York State and in the 31 other income tax States, I am frankly concerned about the potential extent of social and economic dislocations which may result. Over and above this consideration, the fact would remain that to exempt nonresidents from the income tax in the State in which they are employed would represent a flagrant discrimination against the resident taxpayer who would be paying in full for the many services and functions enjoyed by the nonresident.

Stated briefly, our conviction in this matter is that nonresidents should be taxed because of the various benefits they receive. I am reminded of the opinion in a very old tax case in which the pith of this was very well stated: "The power of taxation, indispensable to the existence of every civilized government, is exercised upon the assumption of an equivalent rendered to the taxpayer in the protection of his person and property, in addition to the value of such property, or in the creation and maintenance of public conveniences in which he shares."

Obviously, under the best of circumstances the value of these public services can only roughly be measured. Many people today tend to overlook these fundamental functions of protection of the person, the enjoyment of life and liberty, the right to acquire and possess property of every kind and to pursue and obtain happiness and safety, subject to reasonable laws. These are the real purposes of government which we should never take for granted. These are among the things we are paying for with taxation.

To be more specific, one can hardly overlook the value to the commuter of the highly efficient but costly system of parkways and expressways in the metropolitan area—or the extensive recreational facilities, State parks and so on, either just north of the New Jersey line or along Long Island Sound convenient to Connecticut—or, in another area, the policing of working conditions by our Labor Department as well as its labor mediation facilities—or, the very recent aids granted to railroads by our 1959 legislature which were designed primarily with the

¹ *Shaffer v. Carter* (252 U.S. 37 (1920)).

² *Union Refrigerator Transit Co. v. Kentucky* (199 U.S. 194, 202 (1905)).

commuter in mind. The list is virtually endless.

I recently read in the press a statement alleged to have been made by one of our non-residents. He acknowledged that certain services were performed for his convenience—specifically that the streets were paved between Grand Central Terminal and the RCA Building. Now, I think that most non-residents appreciate that we are furnishing a great deal more than the paving of 10 blocks of streets in New York City.

Aside from the many obvious, direct services performed in New York State, it is very easy to ignore a factor of overriding importance—the economic environment. New York State, by the waving of a magic wand, did not suddenly become a good place to work. Those who derive their livelihood in our State have found a whole social and economic system ready and waiting for them—a system of orderly markets, peace and order, a corps of skilled workers, a vast business apparatus, and an atmosphere conducive to economic progress. All this has been developed by years of careful husbanding of resources by government in an active partnership with private enterprise.

While we feel that we have a fine economic environment at the moment, we feel just as strongly that we have not achieved perfection and that substantial further progress can be and will be made here. The stimulation of the economy with minimal guidance, we feel, must come from our State government. The costs, as well as the rewards, of this great endeavor must be shared by all of the participants. Our great concern now is that these costs be shared fairly. If the costs bear harshly on any sector, we want to know about it and to take corrective action.

At various times in my remarks I have used the expression "favorable business climate." Permit me to tell you what we mean and what we are striving toward. First of all, we believe it means putting government's house in order by operating within a sound budget structure with everyone bearing his fair share of the load. Secondly, we believe it means to provide and guard a free competitive environment in which industry can produce and sell to the direct benefit of owners, management, and employees. Third, we believe it means to create and safeguard a system which encourages the individual to choose the type of employment he prefers and in which he excels; to choose the location in which he will work and the conditions under which he will work. Finally, we believe it means actively to promote the establishment of new enterprises and the expansion of existing facilities in order to produce a maximum of productive and profitable job opportunities.

This is the broad outline of our program in New York State. It is directed toward all who derive their income within New York, and we believe very strongly that all should contribute to the cost of the program.

Because of the widespread interest in the subject, we have developed substantial analyses of data relating to nonresidents subject to our tax. As a group, nonresidents differ materially from residents; not only residents in general but also those who reside in New York City.

To begin with, we have about 190,000 non-residents subject to our tax, 137,000 from New Jersey, 20,000 from Connecticut, and the remainder scattered throughout the country. In terms of tax liability, nonresidents as a group in 1956, the latest year for which we have complete data, paid a total tax of \$33 million—\$20 million from residents of New Jersey, \$8 million from residents of Connecticut, and the remainder scattered.

To illustrate the differences between residents and nonresidents, the average total income reported by all residents (before deductions and exemptions) was \$5,950. Residents of New York City do not differ ma-

terially as their average income was \$5,953. The New York State income of New Jersey residents, by contrast, averaged \$7,022, or 18 percent more than residents; and Connecticut residents \$11,434, or 92 percent more than residents. Nonresidents, as a group, had average New York incomes of \$7,287, or 22 percent higher than residents.

From another standpoint, a percentage distribution of residents and nonresidents by total income classes makes it abundantly clear that our nonresidents as a whole are far from typical taxpayers. In relative terms, nonresidents have one-sixth more taxpayers with gross incomes between \$5,000 and \$10,000 than residents; over twice as many between \$10,000 and \$25,000; almost 50 percent more between \$25,000 and \$50,000, and two-thirds more with gross incomes in excess of \$50,000.

Available statistics indicate that the income of New Jersey residents is slightly less than the income of New York residents on an average and taking both States as a whole. These statistics highlight the more favorable position in which New Jersey residents working in New York find themselves.

As income is generally regarded as a reasonable indication of how much something is worth, let us see what proportion of total income reported in New York State was earned by nonresidents as a group. In our total revenue picture, the \$33 million derived from nonresidents represented about 2 percent of New York State's total revenue for 1957-58. However, our studies also indicate that nonresidents received 5.3 percent of all income reported. This means that the non-resident receiving over 5 percent of all income reported within the State of New York pays only 2 percent of the cost of our State government. This impresses us as a fair bargain.

Does it not seem fair that the nonresidents should make a fair contribution for governmental services in return for such obviously favorable conditions? Here we must remember that for the nonresidents these averages are based solely on their incomes reportable to New York State. As the earnings of nonresidents are so high, the amount of "other income", which is not subject to the New York tax, such as dividends, interest, capital gains on securities, rents or other income earned outside New York State, would be significant.

The basis of equity in our method of taxing nonresidents is closely related to this "other income". Since legally we do not and cannot recognize the existence of this income, we have felt that, in general, we cannot recognize these other deductions which, in the main, are of a personal nature and are unconnected with the production of income in New York.

I realize that it is difficult to convince a taxpayer whose entire income is earned in New York that he cannot deduct the property tax or the mortgage interest on his New Jersey home. Yet, if he moved to another location in New Jersey and rented his original home, I believe he would have no difficulty understanding that as we do not tax his rental income, we could not recognize the taxes or any other costs attributable to the rental property.

As a matter of fact, we in New York are sympathetic to this particular problem which the nonresident faces. Under our new tax law, the maximum optional deduction, available to nonresidents as well as residents, was increased from \$500 to \$1,000. This will have a very beneficial effect on nonresidents earning over \$5,000 annually in New York State. It will result in a reduction in taxes for a great many nonresidents.

We are presently exploring the ramifications of allowing the nonresident to prorate his deductions based upon his New York earnings. In doing this, we are motivated by a concern for the wage earner whose sole

earnings are derived from New York employment and who does not receive any of the other forms of income which we do not tax. This, in no wise, alters our position that the nonresident has a real and substantial obligation to the State of New York for the extensive benefits he receives in the way of public services, higher pay, and favorable working conditions.

Now, let us approach it from another standpoint. While no precise measurement can ever be made of the value of basic public services to any citizen or any group of citizens, a rough comparison can be made between what the nonresidents pay us under the personal income tax and an approximation of their share of basic costs. Since most of our nonresidents are employed in New York City, for purposes of illustration we can make a crude allocation of their share of the cost of basic governmental services in New York City. As you are probably aware, virtually all the nonresidents employed in New York City are from New Jersey and Connecticut.

Our statistical studies indicate that New Jersey and Connecticut taxpayers constitute 7.2 percent of the total number of taxpayers employed in New York City. It follows then that 7.2 percent would be a rough approximation of the nonresidents' share of basic municipal costs.

During the fiscal year ended June 30, 1958, New York City spent about \$427 million on basic services, including only police, fire, sanitation, and the local judicial system. And I must point out here parenthetically, that New York City annually receives hundreds of millions of dollars in the form of financial aid from the State government. If we then apply the 7.2 percent factor to the \$427 million spent by New York City, we find that the nonresidents' share of the cost would be approximately \$31 million. The \$31 million contrasts with \$28 million of personal income tax paid by residents of these two States.

This method, of course, assumes an equal sharing of cost on a per capita basis. If we calculated the nonresidents' share on an income basis, that is, relating the total New York income of the New Jersey and Connecticut residents to the total income of all persons in New York City, as shown on our tax returns, the nonresidents' share increases to 9 percent. Applying the 9 percent to the \$427 million in cost indicates that the nonresidents' portion of the burden would be over \$38 million.

This simple illustration, obviously, does not take into consideration any of the multitude of direct and indirect services and functions of the State Government itself nor does it take into consideration the intangible, but very valuable, feature of favorable economic environment. The fact that the average income of nonresidents is so much higher than that of residents appears to be mighty convincing evidence of just how valuable the environment is. You can readily see that despite the crudeness of these approaches, New York State is certainly not overcharging for all that it provides to the nonresident who is working here. It seems to us that a strong case could be made to the contrary.

Certainly, no income tax law can ever be perfect in design, nor is it possible for a tax law, however carefully designed, to fall with precisely equal weight on all taxpayers in similar circumstances. It does appear, though, that in actual practice the New York State tax approaches this ideal for the vast majority of taxpayers.

Much of the discussion about the problem of the nonresidents reminds me of a conversation I once had with a small industrialist. Several years ago this man located his new plant in a relatively undeveloped area. When he built the plant, real estate taxes were very low. Several years later they were many

times higher, but, you see, shortly after he built his plant, his employees, many coming from distant locations, built homes in the area. Many municipal services were needed and furnished. The community then drew many other industries to it and in a relatively short period, my acquaintance's plant was the center of a full-fledged small industrialized community. Yet in an adjoining township, which remained undeveloped the taxes were still very low.

My acquaintance felt that he had made a very big mistake in building his plant where he did rather than in the adjoining township. The point of my story, gentlemen, is that there are very few, if any, tax havens today. The blessings of growth are numerous but they do carry with them the responsibility of taxation.

It is all too easy to assume that the costs of operating the government of New York State or New York City should be borne entirely by those who live there. However, I do not believe that most nonresidents subscribe to this theory, no matter how pleasant a thought this would be from their viewpoint. If a business is situated in a community, the owner clearly recognizes his social responsibility to pay taxes on the profits of the business to the community in which his business is conducted. I think that most nonresident salary recipients recognize the same responsibility—not that they are philanthropic about it; it is just a hard reality.

Again I should like to thank you, gentlemen, both on my behalf and on behalf of Governor Rockefeller, for this opportunity to present the views of New York State.

DECEMBER 3, 1958.

HON. AVERELL HARRIMAN,
Governor of the State of New York,
Albany, N.Y.

DEAR GOVERNOR: In January of this year, after a conference among the Governors of New Jersey and Connecticut and yourself, a three-man committee was constituted to examine into the problems raised by the New York tax on income of nonresidents of the State. The Governor of New Jersey designated, as his representative, William E. Warren, Esq., dean of the Columbia University School of Law and a resident of New Jersey. The Governor of Connecticut designated, as his representative, Roswell Magill, Esq., a leading tax law specialist practicing in New York City and a resident of Westport, Conn. You did me the honor of naming me as your representative.

It was understood that the committee would work informally and that each representative would report separately to his principal. The committee was not empowered to take action.

The members of the committee consulted with each other on several occasions. In addition, we received excellent advice from various private citizens. A report of the Federal Bar Association of New York, New Jersey, and Connecticut was particularly helpful. I am informed that Dean Warren and Mr. Magill have already reported informally to their respective principals. My purpose in writing this letter is to render a similar report to you.

THE WORKINGS OF THE NEW YORK TAX

Since 1919, New York State has imposed a tax on certain income of nonresidents of the State. Twenty-eight other States also impose a tax on nonresident income. The New York tax rate is graduated from 2 percent to 7 percent.

The relative burden of the New York State income tax on residents and nonresidents may be summarized as follows:

(a) On the income side, the tax base for nonresidents is much narrower than that for residents. Residents of New York are taxed on income from all sources, including earnings, dividends, interest and other in-

vestment income, and gains from the sale of property. Nonresidents, on the other hand, are taxed only on income from New York sources. (A nonresident who works partly within and partly without the State, may allocate his earnings on the basis of the time spent in New York.) This includes primarily earnings within the State. Dividends, interest, and other investment income are not subject to the New York tax, even though the securities are physically located in New York State. Similarly, gains from the sale of intangible property such as securities are not subject to the New York tax in the hands of nonresidents even though physically located in New York State, unless the nonresident is a dealer.

(b) On the exemption side, residents and nonresidents are treated alike. Both are entitled to \$1,000 exemption if single, or \$2,500 if married, and to \$400 for each dependent.

(c) On the deduction side, nonresidents are entitled to less benefits than residents. If a resident chooses to itemize his deductions, he may deduct such items as interest on borrowed money (such as a mortgage on his home), real estate taxes, all charitable contributions, medical expenses and up to \$150 of life insurance premiums. A nonresident, however, is limited in his deductions to those items connected with his taxable income from New York sources. He is not permitted to take deductions for the above-mentioned items except with respect to contributions to New York charities. On the other hand, if a taxpayer chooses to take the standard deduction of 10 percent of taxable income, or \$500, whichever is less, he may do so whether he is a resident or nonresident of New York.

Finally, the nonresident has his tax initially withheld at the source, that is, by his employer, while the resident does not.

THE BACKGROUND OF THE PROBLEM

Over the years, since the New York tax on nonresidents was first imposed, there have been periodic protests by the residents of the neighboring States. In its most virulent form, this protest is predicated on the assertion that nonresidents should not be taxed at all by New York. The slogan "Taxation Without Representation" is the war cry of these protestants. I believe this shibboleth can be disposed of in short order. First of all, on purely legal grounds, it is without foundation. A tax on the income of nonresidents from sources within the State was specifically held constitutional by the Supreme Court of the United States in 1920 (*Shaffer v. Carter*, 252, U.S. 37 (Oklahoma income tax); see also *Travis v. Yale & Towne Mfg. Co.*, 252 U.S. 60 (New York income tax)). The Supreme Court reaffirmed its position on this score as late as 1956 in a case specifically involving the applicability of the New York tax to a New Jersey resident (*Goodwin v. State Tax Commission*, 352 U.S. 805).

More importantly, however, is the fact that practically every State taxes nonresidents in one form or another. New York residents, for example, pay excise taxes in the adjoining States (such as the gasoline tax) which became part of the general revenues and go to support facilities used by all citizens, resident and nonresident alike. The fact that New York residents have no voice in the selection of the officials who decide to impose such taxes has never been an inhibiting factor. It seems clear that, in a similar fashion, the income tax paid by nonresidents to New York State covers, in part, the cost of facilities and services which these nonresidents use in producing the income subject to tax. These include police and fire protection, improvement and maintenance of toll free roads, streets and sidewalks, street lights, transit facilities subsidized by tax exemption and a myriad of other facilities and services which are taken

for granted. It is no answer to say that the income tax is paid to the State and that the facilities and services are provided by the local county and municipal governments. New York State provides substantial financial assistance to these local units so that indirectly, if not directly, the State income tax helps to pay for the cost of these facilities and services.

The more reasonable basis of protest by nonresidents is that they are discriminated against in the matter of deductions. The wage earner who owns a home in New Jersey, and commutes to New York daily, resents the fact that in computing the tax which he must pay to New York on his earnings, he cannot deduct the interest on his mortgage, the real estate taxes on his house, contributions to his local church and charities, doctors' bills, etc. He feels that this is inequitable and that in some fashion he should be able to get the benefit of these items as residents of New York State do.

As reasonable as this position appears to be, it is not without its weaknesses. The nonresident wage earner forgets that only a portion of his income is subject to the New York tax—if he has dividends on stocks or interest on savings bank accounts, he need not report and pay tax on those items. In terms of comparison with the resident who has to pay tax on these items, the nonresident has an advantage. Thus, for example a nonresident who has \$6,000 of earnings in New York and \$600 of dividend income and utilizes the standard deduction, will pay a tax on only \$5,500 (before exemptions), while a resident will pay a tax on \$6,100. Nor is this a hypothetical situation. Contrary to what is generally believed, nontaxable income of nonresidents is received by a significant proportion of persons in modest circumstances. Insofar as dividends and interest alone are concerned, 20 percent of the taxpayers with gross income between \$5,000 and \$6,000 receive such income and among the recipients, it averages \$545 a year. At the \$10,000 level, 1 out of every 2 taxpayers reports income from dividends and interest of almost \$1,500 annually.

Another aspect of the situation which is overlooked is the fact that nonresidents are entitled to the full exemptions even though they are required to report only a portion of their income. Thus, a nonresident married taxpayer with two children who has earnings from within New York State of \$10,000, nontaxable income of \$1,500, and takes advantage of the standard deduction, will pay tax on only \$6,200, while a resident taxpayer will pay tax on \$7,700.

The foregoing examples are not intended to imply that nonresidents and residents in the same financial position should necessarily pay the same tax. After all, there are substantial differences in the benefits received by each from governmental services and facilities provided directly or indirectly by New York State. But they do indicate that the alleged discrimination is substantially less than is generally understood.

Finally, the most important weakness in the position of nonresidents who complain about the New York State tax stems from the fact that neither New Jersey nor Connecticut have a State income tax. If our neighboring States imposed an equal or higher tax than New York, their residents would not have to pay any New York income tax. The reason for this is that the New York law provides that a nonresident who is required to pay an income tax is entitled to credit against his New York tax the amount of tax paid to his home State on the income subjected to tax by New York.

I do not conceive it to be within my province to question the system of taxation of our neighboring States. If, for historical reasons or otherwise, New Jersey and Connecticut choose not to raise their revenues

through an income tax, that is their business. I suggest, however, that under such circumstances, the complaints of their residents against New York are less justifiable, particularly where the claim is for complete exemption from the New York tax.

Despite the fact that I believe there is a logical answer to the complaints by the residents of our neighboring States, it nevertheless appears to me that there is sufficient basis to their complaints to justify an examination of various alternative modifications in the New York law. In analyzing these modifications, however, I consider it important that the financial aspects of the situation be taken into account. In this connection, it should be noted that in 1957, New York derived revenue of more than \$34 million from the income tax on nonresidents, of which \$23 million was paid by New Jersey residents and almost \$7 million by Connecticut residents.

ALTERNATIVE MODIFICATIONS AND THEIR FINANCIAL IMPLICATIONS

Perhaps the simplest relief which could be given to nonresidents is in the area of charitable deductions. At present, nonresidents are only permitted to take deductions for contributions to New York charities. As a practical matter, this limitation operates to discriminate against the lower income taxpayer. The high income bracket nonresident has available to him a simple device for avoiding the limitation. He organizes a family foundation as a New York membership corporation and thereby gets a deduction for all his contributions to the foundation. The foundation then distributes the contributions so received to the nonresident's favorite charities within and without New York State. The lower income bracket taxpayer has no such flexibility. His charitable contributions are too small to warrant the effort or expense of a foundation. As a result, he loses the tax benefit of his contributions. It seems to me that this situation should be rectified. The public interest in supporting worthwhile charities does not know State boundaries.

Another item of deduction, which is a source of irritation, involves medical expenses. A nonresident is not permitted to deduct, for New York tax purposes, any such expenses incurred either on behalf of himself or his dependents. This can produce an incongruous situation. A Connecticut resident who works in White Plains, and whose only income is from salary, is in a serious auto accident on his way to work. He runs up substantial medical bills but he derives no tax benefit from paying them. If he lived in Bedford, N.Y., just inside the Connecticut line, he would not have such disadvantage. There is unfairness in such a situation. In both cases, New York derives its revenue based upon the individual's capacity to work. In both cases, that capacity is seriously inhibited. Obviously, the unfairness is considerably less where the accident involves not the taxpayer but one of his dependents whose capacity to work and produce income is not involved. Perhaps an appropriate solution would be to limit the medical expense of a nonresident to those expenses incurred by the taxpayer himself. It is difficult to estimate how much revenue loss would be involved in such a procedure. Available statistics indicate that an allowance to nonresidents of the same benefit from the medical expense deduction as is allowed to residents would cost New York State about \$1,300,000 annually. Obviously, the loss from allowing only medical expenses of the taxpayer would be somewhat less.

Still another area which has produced complaints is the deduction of real estate taxes and interest. The nonresident is not permitted such deductions while the resident is. Here the unfairness is not so apparent. The

New York resident must report and pay tax on income from all sources. The nonresident, on the other hand, is required to report and pay tax to New York only on income earned in New York. Investment income and income earned outside the State is exempt. Thus, the nonresident has tax-free income which can offset these items which are not deductible. Indeed, if these deductions were permitted, a nonresident who owns and rents property located outside New York and derives income from it would reap an affirmative advantage; he would get the tax benefit from deducting the real estate taxes and the interest on the mortgage against his other income without having to pay tax to New York on the rent. It is true that such an analogy provides little comfort to the nonresident wage earner who lives in his house and pays taxes and mortgage interest on it. Statistics as to the amount of revenue involved in such deductions are not readily available. Nevertheless, it would appear that there are sufficient possibilities of loss of revenue from permitting such deductions to require the conclusion that no change should be made in the present law.

Thus far, I have dealt with the more important specific items of deductions which are desired by nonresidents. Actually, there are a large number of other deductions which are also involved, e.g., life insurance premiums, alimony, a variety of taxes, casualty losses, etc. In my judgment, it would be unwieldy to attempt to deal with each such deduction individually. Several suggestions have been made, however, that the whole area of deductions should be dealt with as a package. Among these are the following:

(a) Nonresidents should be entitled to the benefit of all the deductions presently permitted to residents. If this change were made, it is estimated that the loss of revenue to New York would approximate \$4,700,000 annually. This is a substantial figure. In view of the fact that nonresidents are required to report only their income earned in New York and that their income from other sources is not taxed, giving them the full benefit of all deductions would produce an unfair advantage.

(b) Nonresidents should be permitted to get the benefit of all deductions on an allocated basis—namely, that proportion of all deductions which their income taxable by New York bears to their total income from all sources. It is estimated that this proposal would produce a revenue loss of \$3,500,000 annually. The proposal of an allocation formula has considerable appeal. The theory behind it is that it causes the nontaxable portion of a nonresident's income to bear a proportionate share of the deductions. Certain administrative difficulties are involved which will be discussed later. On the other hand, there appears to be no sound reason why the benefits of an allocation of deductions should be given to nonresidents, while at the same time permitting them to have the full benefit of exemptions on an unallocated basis. If any modification is to be made along the lines of this proposal, it should provide for an allocation of both exemptions and deductions.

(c) Nonresidents should be permitted to deduct the excess of all deductions over nontaxable income. A variation of this proposal is that nonresidents should be given the option on a lifetime basis of reporting under the present provisions applicable to nonresidents or as a resident taxpayer. This would produce a rather complicated procedure which, as far as can be determined, would not produce substantially greater benefits to nonresidents than a system which permitted nonresidents to get the advantage of all exemptions and deductions on an allocated basis. The estimated revenue loss runs from \$2 million to \$2,500,000 annually.

(d) Perhaps the most appealing and feasible alternative is the proposal to allocate both exemptions and deductions in the proportion that income taxable in New York State bears to total income from all sources. As has already been pointed out, this would cause each type of income to bear its proportionate share of the tax benefits. There are obvious administrative problems in such a proposal. It will be difficult in many cases for the New York authorities to determine how much nontaxable income a nonresident taxpayer really has. Unless such information is readily made available, there will be no way of knowing whether such income has been required to bear its share of exemptions and deductions. On the other hand, New York has the device of withholding to protect itself against dishonest taxpayers. If the withholding is continued on a rate applicable to gross income earned from sources within New York, nonresidents will, in most cases, have to prove their right to a refund in order to get the benefit of any such change in the law. Nor will this be an undue burden on the nonresident. Usually, requiring him to furnish a copy of his Federal income tax return will provide the necessary information. In some situations, such as income from securities of municipalities of other States, which are subject to New York tax in the hands of a resident but exempt from Federal tax, the Federal return will be incomplete. But the number of these instances should be small. The estimated revenue loss from this proposal is \$1,500,000 annually.

It should be noted that this proposal will not mean less New York income tax for all nonresidents. In fact, some nonresidents will receive no benefit—for example, a nonresident who is already getting the full benefit of the \$500 standard deduction and does not wish to, or has insufficient expenses to itemize his deductions. Indeed, in some cases, the outside income will offset part of the exemptions which the nonresident is now getting in full and produce a higher tax. However, the principal beneficiaries will be those nonresidents whose income is almost entirely from earnings in New York and who will, by this procedure, be placed on a basis of equality with New York residents similarly situated.

ADMINISTRATION

One final word is in order on the subject of administration. One of the major complaints of nonresidents has been the long delay involved in their obtaining refunds of excess withholding of New York income tax. In many cases, due to expenses or the fact that time spent working outside New York was underestimated, nonresidents are entitled to a refund. Information that has come to my attention indicates that 2 to 3 years can elapse before these refunds are made. It would seem to me that it behooves the New York tax authorities so to organize its administrative procedures that the period required in processing refunds is kept to the minimum. If this were done, an important irritant would be removed and the opposition of nonresidents to the New York income tax might be considerably less.

CONCLUSION

The various component elements of the problem seem clear. A tax on the income derived by nonresidents from sources within the State is clearly constitutional. In the particular case of the New York tax, the basic reason for difficulty stems from the fact that neither New Jersey nor Connecticut impose an income tax. If they did and if the rates approximated the New York rates, New Jersey and Connecticut residents would pay no or very little New York tax. If my analysis were to stop here, I would necessarily have to conclude that no change should be made in the present law.

I believe, however, that the problem cannot be approached from a purely logical, historical, and legal point of view. The New Jerseyite whose only income is his \$6,000 salary earned in New York is not impressed by arguments about subsidization of systems of taxation. All he knows is that he has to pay a tax to New York and that he doesn't get the same benefits as the fellow who works at the next desk, has the same income, and lives in New York. He has a feeling of injustice which no amount of theorizing can dispel.

We have moved into a period when good working relations and good feeling among residents of the New York metropolitan area are becoming increasingly important. Common problems of transportation, taxation, health, water, etc., are swiftly making an anachronism of State lines. We need to work closely together with our New Jersey and Connecticut residents. We need to do everything within our power to remove irritants in our relationships and conserve our energies for problems of transcendent importance.

It is not for me to say that, in the face of a possible need to raise taxes, New York should forgo \$1,500,000 in revenue, even though it is less than 1 percent of the State budget. On the other hand, it may well be that the future benefits to be derived from financial support by New Jersey and Connecticut for projects essential to the proper development of the New York metropolitan area are sufficiently substantial to justify the removal of an important irritant, even though New York will suffer a small loss in revenue.

Assuming that the loss of \$1,500,000 in revenue is appropriate, in light of these considerations, I recommend that nonresidents be given the right to allocate both deductions and exemptions in the proportion that taxable income from New York sources bears to total income from all sources. If this is not feasible, I recommend that nonresidents be given the right to deduct charitable contributions both within and without the State and their own medical expenses within the present overall limits applicable to all taxpayers.

Sincerely,

THEODORE TANNENWALD, JR.

Mr. JAVITS. Mr. President, I conclude my remarks upon the following note. I deeply believe that this is a problem which ought to be adjusted among the States. I deeply believe that nonresidents should be treated fairly in terms of deductions, but that they should pay an income tax and thereby bear a part of the cost of government. I believe also that we should not have duplicating taxes, that is, taxes on the same income in different States.

Finally, I believe that a drastic constitutional amendment cutting off the right of a State to tax earned income within the State would lead to an appreciable diminution of State income, which would be unfair and discriminatory against the residents of the individual States which levy the income tax.

I express the hope that by exercise of reasonableness as between the States, even to the extent of State compacts, which could then be reviewed by Congress, the need for any Federal intervention beyond that may not occur.

I point out that if the States themselves are reasonable, the problem will be considered as susceptible of a reasonable solution and will not, therefore, arouse that kind of public emotion which would call for some national remedy

which might turn out to be unfair to the particular States concerned or, on the other hand, to the individuals concerned.

THE ROLE OF CONGRESS IN THE FIELD OF FOREIGN POLICY

Mr. CHURCH. Mr. President, the distinguished senior Senator from Pennsylvania [Mr. CLARK] has discussed the role of Congress in the field of foreign policy in the current issue of the magazine *Frontier*. His comments are thoughtful and discerning as he develops his thesis that the Congress has a duty to participate in the formulation of foreign policies. He truly observes that in our democratic society public opinion is eventually the controlling factor in foreign policy. I agree with his statement that Congress can contribute to our foreign policy by mobilizing "American public opinion in support of serious negotiations looking toward a practical solution to the nuclear stalemate and absence of international law and order which today holds all rational minds in the grip of fear."

Mr. President, I ask unanimous consent that the article written by the senior Senator from Pennsylvania be printed at this point in the *Record*.

There being no objection, the article was ordered to be printed in the *Record*, as follows:

CONGRESS AND THE WORLD CRISIS

(By Hon. JOSEPH S. CLARK, U.S. Senator from Pennsylvania)

WASHINGTON.—To understand the contribution that Congress can and should make to foreign policy in the next 2 years, it is useful to review briefly the relationship in this field between the President and the Congress.

The powers accorded to the President under the Constitution used to be viewed as giving him almost exclusive control over foreign affairs. In recent years, however, quite apart from considerations of personalities or politics, it has been increasingly evident that the President does not have sufficient authority to control foreign policy without regard to the wishes of the legislative branch. Today, American foreign policy, to a very large extent, depends on military and economic aid, technical assistance, and loans, resources control and trade negotiation, immigration regulations, passport control, propaganda, cultural exchange, and the Military Establishment itself. These require enabling legislation and appropriations. The Congress is now as deeply involved in foreign policy as it is in domestic policy.

Although the Congress has great authority in the field of foreign policy, it is obviously not endowed with sufficient authority to conduct foreign affairs by itself. Moreover, as a practical matter, that would be impossible. The need for cooperation between the executive and legislative branches of the Government, then, is obviously required in foreign policy matters; and a condition of mutual confidence is essential to success.

There has been, throughout our history, an ebb and flow of power into and out of Congress in the field of foreign affairs, depending largely on whether the President is strong or weak. During the incumbency of a weak President, the Congress, and particularly the Senate, tends to reach out for more power in foreign policy matters.

The character and reputation of the Secretary of State are also an important factor in the relationship of the President and Con-

gress to foreign policy. In the early days of the Republic, Secretaries of State tended to be politicians. Most of them had held elective office; many of them went on to become President; Jefferson, Madison, Monroe, John Quincy Adams, Van Buren, and Buchanan. Since the Civil War, no Secretary of State has achieved the Presidency. Yet politicians occasionally still fill that office; recent ones were Charles Evans Hughes, Cordell Hull, and James Byrnes, and their ability to get along with Congress is noteworthy.

The ability to work well with Congress, in fact, is essential to the success of a Secretary of State today. When a Secretary of State has lost the confidence of the Congress, and lost the confidence of many of our allies as well, a very serious condition exists. When, as at present, one party controls the Presidency and another the Congress, the need for bipartisan cooperation, for constant consultation, and a Secretary of State who knows how to work with Congress is especially important. A realistic assessment of existing personal and political factors is, therefore, necessary to an understanding of this subject.

It is no secret that, prior to his unfortunate illness, our present Secretary of State had lost the confidence of many of our allies and many of us in Congress, despite our admiration for his personal courage and tenacity. The President has been satisfied to let Secretary Dulles assume most, if not all of the responsibility for the direction of our foreign affairs. It was obvious that the Congress, and particularly the Democratic majority in Congress, was not content with this state of affairs before the Secretary's illness, and the situation has deteriorated since. As a result, Congress is displaying greater initiative in foreign affairs.

In the past year, a number of things has happened which are indicative of the Senate's impatience with the conduct and state of our foreign relations.

Last July the Senate passed a resolution authorizing the Committee on Foreign Relations to make a complete study of foreign policy.

A special study of the U.S. relations with the other American Republics was similarly authorized following the debacle of the Vice President's visit to Latin America last spring.

THE RELUCTANT ADMINISTRATION

A resolution was passed expressing the sense of the Senate that prompt study should be given to the establishment of an International Development Association as an affiliate of the World Bank to make loans to underdeveloped countries at more liberal terms than are now available, and to permit payment in local revenues. This resolution was the brainchild of Senator A. S. MICE MONROE who managed to get a reluctant administration to accept the validity of the idea.

Eight members of the Senate Foreign Relations Committee sent the President a letter at the conclusion of the last session of Congress urging him to reexamine the mutual security program with a view to redressing the military and economic imbalance of the present program, putting more emphasis on nonmilitary aid. The response to this letter was the recent appointment by the President of a nine-man panel to study our foreign aid program. It is hoped that the 3 military men and the 4 civilians with past Defense Department experience on this panel will be able to give a fair and equitable assessment of the economic as well as the military aspects of foreign aid. But one may be permitted to doubt it.

More recently, Senators ALBERT GORE, Democrat, of Tennessee, FRANK CHURCH, Democrat, of Idaho, and HUBERT HUMPHREY, Democrat, of Minnesota, have suggested methods of making progress in the field of nuclear weapons testing which the administration

had apparently failed to consider seriously, and Senators MANSFIELD, Democrat, of Montana, and DODD, Democrat, of Connecticut, have taken the initiative in suggesting approaches to the Berlin crisis.

Public opinion is eventually the controlling factor in the foreign policy of a democratic society. If, as Vice President Nixon said on more than one occasion during the last election campaign, foreign policy was an issue—and I agree with him that it was—the people of this country are not satisfied with the status quo in our foreign policy either. They want a change, but it is going to be difficult indeed to put our policies on a new course with the present leadership of the State Department.

KEY ISOLATIONISTS ARE OUT

Let us consider the effect of last November's election on the role of Congress in foreign affairs. Changes in the composition of the Senate, have in my view, vastly improved that body's potential to contribute to foreign policy. The 86th Congress does not number among its Members Senators Barrett, Bricker, Hobbittell, Jenner, Knowland, Malone, Martin, Potter, Revercomb, Thye, and Watkins. Eight of these men supported the successful amendment by Senator Knowland to remove the provision included in the mutual security bill, by agreement with the administration, which would have altered the Battle Act so as to authorized the President to permit trade with those Communist satellite countries which show signs of independence from Moscow. Eight of these men opposed Senator KENNEDY's amendment to the mutual security program expressing support for aid to India's 5-year plan. Five of them voted against the 4-year extension of the Reciprocal Trade Agreements Act on final passage. Their successors, in almost all instances, favor a more constructive foreign policy.

In the 86th Congress, by reason of the Democratic sweep, there are three additional Democrats and two fewer Republicans on the Foreign Relations Committee.

Let's look briefly at three of the most sensitive international problem areas—Berlin, the Far East and the Middle East—and attempt to assess what contribution Congress has made and can be considered to make to affect our policies toward these areas.

BERLIN

The impending Berlin crisis, which threatens to be as grave as any faced by the Nation since the end of the Korean War, calls to mind Lincoln's words of 100 years ago:

"The dogmas of the quiet past are inadequate for the stormy present. We must think anew, we must act anew, we must disenthral ourselves."

It has long been clear that the arrangements governing the city of Berlin since the lifting of the blockade in 1948 are unstable and provisional. Western insistence on reunification by free elections and full Soviet compliance with legal obligations has not changed that essential fact.

The position of this Government to stand firm on Berlin and to maintain all access routes is supported today by all responsible Members of Congress, and by our NATO allies. About this there should be no doubt, because the West has not forgotten that, to borrow a phrase of Carl Sandburg, "Wherever there is freedom there are those who must toil, fight, and sacrifice for it."

But standing fast in Berlin must raise the related question of with what? As the President has recently stated, to fight a ground war in Germany is out of the question. We just don't have adequate converted forces. Moreover, we must never forget that our sole purpose in Germany is to get out eventually under conditions which

give the forces of freedom the chance to survive and prosper.

MORE FLEXIBILITY IS NOTED

Recent events indicate that the administration is taking a somewhat less frozen attitude toward the coming talks on the German situation. Indeed, prior to the Secretary's hospitalization, it was announced that we are now willing to meet with representatives of East Germany, Poland and Czechoslovakia as well as the Soviets to discuss a wide range of proposals for a German settlement, including the revised Rapacki plan that calls for linking creation of an atom-free zone with a reduction in conventional arms in the two Germanies, Poland and Czechoslovakia.

Any one who recalls the administration's wounded reaction to Mr. Kenman's "disengagement" proposal in December of 1957 will recognize how far Mr. Dulles has moved.

There is no question in my mind that Congress is partially responsible for this new and more receptive attitude. Persistent voices have been heard in the Senate during the last year or more, prodding the administration to take the initiative in advancing long-range solutions for the Berlin problem. Searching questions have been asked about the necessity of giving nuclear arms to the West Germans, the effects on our security of a "controlled thinning out" of big power forces in both Germanies or more extensive forms of disengagement, and the desirability of countering the flood of Soviet proposals with new and realistic proposals of our own, but at the same time taking steps to bolster our defensive strength.

These questions and many more will be repeated in both Chambers of Congress until satisfactory responses are articulated and carried out by the administration. Members of Congress should be ready to support the President when imminent danger threatens, but we would be derelict in our duties if we failed to participate in the formulation of foreign policies which have a vital bearing on our future and follow closely the implementation of those policies by the Executive.

FAR EAST

One does not have to be a prophet to foretell the likelihood of renewed trouble in the Formosa Strait during the incipency of the Berlin crisis. Well-known Communist strategy virtually dictates such an occurrence. The Chief of Staff of the Nationalist Chinese has stated that the forces on the mainland opposite Quemoy have increased by 50 percent since the siege last fall.

It is painfully clear that the status quo in the offshore islands must give soon and that present conditions are unsatisfactory. In the weird peace on Monday, war on Tuesday situation that has prevailed in the Quemoy since November, it is the Nationalists who must await the Communists' pleasure as to whether the offshore islands receive 400 to 40,000 shells a day, and it is we who are committed by the administration to take action if the Communists decide at any time to continue their offensive long enough to threaten to overwhelm the defenders.

It is difficult to believe that even the hardest optimist at Mr. Robertson's Far Eastern desk in the State Department genuinely feels that the smaller islands in the Quemoy island group or the much less defensible nine-island group of the Matsus can be held against intensive long-sustained bombardment.

In my estimation the current Congress is increasingly aware of the essential untenability of our position in regard to the offshore islands and discontent with Mr. Dulles' handling of the matter.

Last September the President said that "If the bilateral talks between Ambassadors (in Warsaw) do not fully succeed, there is still the hope that the United Nations could exert

a peaceful influence on the situation." The Warsaw talks remain deadlocked and peace has not come to the Quemoy, but U.N. assistance has never been sought.

It is not inconceivable that Congress might pass a resolution which, while reiterating the determination to defend Formosa and the Pescadores, expressed the sense of the Senate and the House that the offshore islands dispute should be submitted to the United Nations. The Red Chinese have indicated clearly their distaste for U.N. intervention, and the Nationalists probably feel the same way. But is it in the U.S. interest that we should continue to support Chiang alone and without active Allied backing in so untenable a position?

Re-examination and possible repeal of the ambiguous language in the Formosa resolution of January 29, 1955, authorizing the President to use Armed Forces for the "securing and protection of such related positions and territories" * * * required or appropriate in assuring the defense of Formosa and the Pescadores" is another possible course of legislative action. This cannot be ruled out in view of Mr. Dulles' continued insistence that our actions in regard to the offshore islands have been taken under the authority of the resolution which he has based on the obvious fiction that the Red attack on these islands is part of and preliminary to an attack on Formosa. It is to be remembered that seven Senators, who are now on the Senate Committee on Foreign Relations, voted against inclusion of the quoted language at the time the resolution was being debated in 1955.

Our policies of nonrecognition of Red China and opposition to its seating in the United Nations are matters within the exclusive jurisdiction of the Executive, but the days when these policies were considered to be beyond criticism by Congress have ended. "We cannot forever ignore 600 million people on the mainland of China," Senator FULBRIGHT, now chairman of the Foreign Relations Committee, stated last August, "but what are we doing to make it possible to deal with them on the best terms possible?" More such questions will be asked.

WHAT MR. DULLES SAID IN 1950

Mr. Dulles may even find that the words which he wrote in his book entitled "War or Peace" in 1950 have made some congressional converts:

"I have now come to believe that the United Nations will best serve the cause of peace if its Assembly is representative of what the world actually is, and not merely representative of the parts which we like. Therefore, we ought to be willing that all nations should be members without attempting to appraise closely those which are good and those which are bad. Already that distinction is obliterated by the present membership of the United Nations."

MIDDLE EAST

History's briefest and least eventful military occupation in the Middle East ended last October with withdrawal of our troops from Lebanon and British troops from Jordan, and the basic tensions have only increased.

In Lebanon our summer intervention had the net effect of substituting a pro-Nasser regime for a pro-Western one. Rashid Karami, a rebel when our forces landed in July, is now Prime Minister, and he has publicly stated that he considers Nasser a superman. Camille Chamoun, at whose behest we intervened, has folded his tent * * * and silently stolen away.

In Jordan, plucky King Hussein's life expectancy is briefer than ever, and one wonders whether it is even proper to recall President Eisenhower's proud proclamation in the spring of 1956 that Jordan was vital to American interests. If one assassin's bul-

let found its target, there would be no Jordan, and neither we nor the British will be there to do anything about it.

As for Iraq, the administration has never quite been able to decide whether Kassem is friend or foe, or whether we should lend a helping hand to the Baghdad regime or its many foes. Consequently during a crucial 9 month period in that country's history, we have had no Iraq policy and offered no alternatives to Communist proffers and blandishments.

Elsewhere in the Middle East, rampant Arab nationalism, as typified by Cairo's leader is still the dominant factor; Arab-Israeli hostility is again resulting in border occurrences; the future of oil companies' concessions is more clouded than ever, and corrupt and unrepresentative regimes still make revolution a likelihood in many states.

Clearly, these complex problems defy solution by any unilateral action on the part of the U.S. Government, much less by congressional action. Long-range U.S. policy in the Middle East will not be on a firm foundation until the Executive succeeds in making a clear statement of Western aims, which is based on correct assessment of the true relation between Communist efforts to promote conflict and the social, political, and economic revolutions under way in the underdeveloped areas. We should give frank recognition to the fact that the oil buyer-seller relationship is as essential to the Arabs as to ourselves.

While the initiative in this area rests primarily with the Executive, action might be considered along the following lines by Congress:

1. Increased appropriations to raise the living standards of the Palestinian Arab refugees beyond the mere subsistence level and to promote their resettlement.
2. Reexamination of our present low immigration quotas for Jews and Palestinian Arabs.
3. Exploration of the feasibility of an arms embargo for the entire area to be enforced by the United Nations.
4. Channeling economic aid to specific projects rather than political regimes.
5. Investigation of the adequacy of our area intelligence which seemed so deficient at the time of both Iraq revolutions.
6. Financial backing to establish a pro-Western Arab radio station in the Middle East to counter the "Voice of the Arabs" from Cairo.
7. Consideration of repeal of the so-called Eisenhower doctrine, a hideous mistake for which Senators, including the author, must bear a share of the responsibility. This policy has embarrassed our friends and totally missed the main nationalistic trend of thought in the area. It is not now subscribed to by any State and has not been invoked at any time, even in the Lebanese affair. It has been a cloud to clear thinking.

In these areas and many others Congress can make a substantial contribution to sanity and sound policy. It cannot push water uphill. It cannot fill the vacuum caused by a failure of Executive leadership and, in particular, it cannot prevent those inevitable further disasters which stare us in the face so long as a preoccupied President continues to rely on advisors whose only answer to any new thought is "No."

I would be less than candid if I did not express my own misgivings about the position of the United States during the next 2 years. Our Federal framework of government has put us in an unfortunate position. We must continue until new Executive leadership is forthcoming, to bump along as best we can, developing and advocating new ideas and new policies, voting legislation and appropriations, probably inadequate in amount, for purposes dimly understood, if at all; hoping against hope that disaster

will not strike until conditions beyond the immediate control of either the Congress or the people of the United States are remedied.

Meanwhile, we will hope to curtail our brinkmanship abroad while, at the same time, offering a friendly hand to the uncommitted countries in the world and a less belligerent, but nonetheless firm, opposition to the expansionist aims of the Communist bloc.

AND WHAT ABOUT DISARMAMENT?

Finally a word about the two most important objectives of our foreign policy, concerning which so much is said and so little done:

First. Nuclear and conventional disarmament;

Second. A revision of the Charter of the United Nations in an effort to achieve world peace through world law.

We agitate ourselves and the rest of the world over the fate of a rocky little island in the mouth of Amoy Harbor, but how much of our real brain power, and how much of our national heart and soul are we putting into a serious effort to win a workable agreement with the Communists at the Geneva talks on the discontinuance of nuclear weapons and the prevention of surprise attacks? How many hours in the last 12 months have the President, the Secretary of State and his principal advisers put into an earnest search for ways and means of achieving reliable disarmament agreements with communism in related areas? How much attention has the State Department given to the hearings of Senator HUMPHREY's Subcommittee on Disarmament? Is anybody in the State Department or the White House thinking hard on the steps which must be taken in the foreseeable future to revitalize the United Nations and bring about world peace through world law if we are not all to be blown to smithereens?

Or are all these matters considered merely the foolish dreams of impractical idealists?

The present Congress, I hope, will explore all these questions.

The Senate majority leader, LYNDON JOHNSON, of Texas, has called for "bold, new, imaginative programs" in the field of foreign affairs. Such programs are, in my judgment, quite literally essential to survival. I hope they will receive the serious attention they deserve at both ends of Pennsylvania Avenue.

The greatest contribution the Congress could make to our foreign policy in the next 2 years would be to mobilize American public opinion in support of serious negotiations looking toward a practical solution to the nuclear stalemate and absence of international law and order which today holds all rational minds in the grip of fear.

SAND DUNES NATIONAL PARK, OREG.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an informative article from the Oregon Daily Journal, of Portland, of April 13, 1959, written by Roy J. Beadle, editor of the Journal's editorial page. Mr. Beadle's article describes a community meeting held at Reedsport, Oreg., on April 12 to discuss my bill for creation of a national seashore recreation area in the Oregon Dunes, under the U.S. National Park Service.

Mr. Beadle is a responsible journalist, so I call particular attention to his comments concerning the favorable impression made upon the audience by representatives of the National Park Service,

when they explained and described the purpose and intention of my bill.

I am grateful to the citizens and to the leaders who participated in this meeting, and for the information of my colleagues, who eventually will consider S. 1526, I ask unanimous consent that Mr. Beadle's article be printed in the body of the RECORD.

Many residents of the area affected by the park proposal have questioned various aspects of the national seashore project, and public meetings which have been held in Reedsport and Florence, Oreg., have served to answer and clarify these questions. I am grateful that the National Park Service has sent to these meetings outstanding staff experts, so that local citizens would have the best possible source of information about plans and policies. Some of the questions and the answers of National Park Service personnel are reviewed in stories written by Mr. Don Tacheron of the Eugene Register-Guard for April 13, 1959. I ask consent that this able reportage be included in the RECORD with my remarks, along with another story from the Coos Bay World, describing other comments at the meeting.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Oregon Journal, Portland, Oreg., Apr. 13, 1959]

OPPOSITION DEVELOPS ON PLAN FOR SAND DUNES NATIONAL PARK (By Roy J. Beadle)

REEDSPORT.—The proposed national seashore recreation area along the Oregon dunes between Florence and Reedsport is not to be crammed down the throats of the local residents, some 150 people from coastal and Willamette Valley points were told at a show me meeting here Sunday afternoon.

Ben H. Thompson, Washington, D.C., Chief of the Recreation Resources Planning section of the National Park Service, headed a group of Park Service officials who sought to answer the questions in the minds of Reedsport people.

Whatever the opposition among those present, it was orderly and polite. It expressed itself principally in the form of applause for George Harrington, resident forester for the Crown-Zellerbach Tahkenitch Lake Tree Farm, who opposed the plan partly on the basis that recreational needs can be met on a State and local basis. The proposed national area would remove 3,000 acres from the tree farm, which is a source of employment and of timber products which the local economy needs, Harrington said.

However, the audience also applauded Martha Ann Platt, of Portland, representing the Oregon Audubon Society and the Mazamas, and Virilis Fisher of Portland and Las Vegas, representing the Mazamas and the Sierra Club, both of whom spoke strongly for the plan. Mrs. Platt said the Park Service can "unlock a whole treasure for you here on the coast." Fisher said the proposal, which is now in the form of a bill introduced by Senator RICHARD L. NEUBERGER, can become "the finest centennial present" Oregon could have.

Park Service representatives were applauded when their entire presentation was completed. They will make a similar presentation tonight at Florence, where opposition is stronger than in Reedsport. Florence residents were at the Reedsport meeting but withheld their questions. Private opinion is that most Reedsport people are favorable to the plan but want many more facts.

Written questions were put by Orin Collier, attorney, representing the Reedsport Chamber of Commerce. They had to do with the effect on the local tax base, the impact on industry, the boundary question, the time needed for development of the area, etc.

Thompson said the Government rarely pays money in lieu of taxes, but the experience in nearly all national park developments is that they stimulate allied business activity so that new taxes more than make up tax losses from property removed from local rolls.

The boundaries will be determined only after negotiation with local interests and other agencies involved, Thompson said. The development itself will come slowly, giving time for local adjustment. Money will not be available to buy all the property at once.

Thompson emphasized that extensive hearings will give ample opportunity for local people to express their views. Although the Park Service survey includes Jessie M. Honeyman State Park in the proposed area, Thompson said the final boundaries need not necessarily include the park. This was in response to a question from William Tugman, publisher of the Port Umpqua Courier and chairman of the advisory committee for the State park department. A State park department official earlier told the Journal his department would not necessarily oppose giving up Honeyman Park if it were thought to be in the public interest.

George Collins, west coast chief of recreational resources planning for the Park Service, cautioned the people not to think so much in terms of immediate results but to remember that the dunes area is a rare combination of life and earth sciences which ought to be preserved for all time.

Herbert Mayer, San Francisco, assistant regional director of the Park Service, spoke of the tremendous pressure from recreationists and asked the people to think big.

William E. Walsh, Coos Bay attorney, who presided, read a telegram from Senator NEUBERGER which said this plan would result in national advertising and publicity which would bring more tourists to the finest seashore in the Nation.

[From the Eugene (Oreg.) Register-Guard, Apr. 13, 1959]

DISCUSSION SESSION HELD AT REEDSPORT ON ISSUES STEMMING FROM PARK PROPOSAL

REEDSPORT.—Local economic considerations dominated a discussion meeting here Sunday when a panel of National Park Service officials answered questions about creation of an Oregon Dunes national seashore.

William Walsh, Coos Bay, moderator, said the meeting was organized by the Reedsport and Florence Chambers of Commerce to get an orderly statement of facts about the seashore proposal.

Attending an afternoon session were about 200 persons. Included were representatives of the Oregon press, the State park dept., the U.S. Forest Service, local timber firms, other State and public agencies and private citizens.

Ben H. Thompson, Chief of Recreation Resources Planning, National Park Service, Washington, D.C., answered the bulk of the questions.

Most of the questions were posed by attorney Orin Collier, spokesman for the Reedsport Chamber of Commerce. They were prepared from lists submitted by the Reedsport and Florence Chambers.

Few questions were asked from the floor. There was no debate on the merits of the park proposal itself. Answers made by members of the Park Service panel, which included a number of technicians from the regional office at San Francisco, stressed these points:

A Park Service recommendation for preservation of the Oregon Dunes area is based on preliminary surveys. No definitive studies have been made of the area, therefore, no definitive answers to local problems can be formulated at this time.

Development of an Oregon Dunes national seashore would be a long-range proposition that would not be crammed down the throats of the people most affected.

Seashore creation would not necessarily hamper industrial developments in communities located nearby.

QUESTIONS ANSWERED

The substance of some of the questions raised and the answers of Park Service officials follow:

Question. If property is removed from the tax rolls, what tax offset will be provided for the various tax districts involved?

Answer. There is only one park in the national system for which legislation provided payments in lieu of taxes. Whether Congress would authorize this procedure here cannot be determined at this time.

Question. What would be the effect on long-term bonded indebtedness already incurred by special tax districts?

Answer. The land does not cease to be productive and in the long run no special tax district should suffer.

BUDGET ISSUE

Question. Would the Park Service help make up for any budget deficit caused by tax loss of property valuation?

Answer. The Park Service has no power to do so.

Question. What is the procedure for land?

Answer. The Park Service would negotiate purchase in the same way as any private individual, on the basis of appraisals by local firms. The service policy is to resort to condemnation only where necessary.

Question. What is the formula for the use of property by life tenants?

Answer. Those who desire, would sell their property subject to a lifetime lease. They would pay no rent but the purchase price would be somewhat lower than in cases of outright sales. They would not be able to transfer the lease but they would be allowed to manage and improve the property as they see fit.

Question. What is the criteria for deciding what businesses would remain inside the national seashore?

Answer. There has been no detailed analysis here. However, general policy is that service businesses would not be permitted inside. Service businesses include such things as service stations and overnight accommodations. Boat rental services and beach buggy operations might be allowed to remain.

DUNE CONTROL

Question. Would the grass-planting program on the dunes be continued?

Answer. The dunes-control program would be continued, perhaps accelerated.

Question. Could water from the dunes be tapped for industrial use outside the preserve boundaries? How close to the boundaries could industry locate?

Answer. Access to water would be no problem. The Park Service does not have anything to say about industry outside its areas.

Question. Would existing roads be acquired? Would free access be maintained?

HIGHWAY QUESTION

Answer. The State would continue to maintain its highways while county roads would be taken over by the Federal Government. There is no charge at Cape Hatteras National Seashore.

Question. What about fishing and hunting?

Answer. The Park Service prefers that there be no deer hunting in a narrow corridor such as this would be. Migratory waterfowl hunt-

ing would be managed in accordance with State regulations.

Question. How many persons would the Park Service employ?

Answer. Probably a permanent staff of 5 and seasonal staff of 15 over and above park facilities development personnel.

Question. Would local construction firms be used to build park facilities?

Answer. Contracts would be awarded on a bid basis.

OPINIONS CONSIDERED

Question. To what extent do the desires and opinions of local residents affect a decision on boundaries and creation of the seashore area itself?

Answer. Local opinion is not brushed aside. Congress will not push through a bill over objections of Congressmen from the area involved.

Question. What about funds required?

Answer. A small amount, probably about \$20,000, would be required to complete the study. Somewhere around \$3 million has been estimated for purchase of privately owned land. Development costs would depend upon the type of facilities.

AREA PROCUREMENT

Question. Would the total seashore area be taken over at one time?

Answer. No. Land would be acquired over a long period of time.

Question. Has a study been made of the local economic problems involved in seashore creation?

Answer. Park Service studies are under way and are expected to be completed some time this year.

Question. Would it be necessary to surrender Honeyman State Park?

Answer. It would not be necessary to transfer the park from State jurisdiction.

A similar discussion meeting is scheduled to be held at Florence at 8 p.m. Monday.

[From the Eugene (Oreg.) Register-Guard, Apr. 13, 1959]

PARK SERVICE OFFICIALS GIVE VIEWS ON CREATING OREGON DUNES NATIONAL SEASHORE

(By Don Tacheron)

REEDSPORT.—Inclusion of an upland area around three fresh water lakes is a fundamental requirement of an Oregon Dunes national seashore.

Creation of such a seashore would probably put more into the economies of nearby cities than it would take out, even if lands now privately owned were removed from the tax rolls.

POSITION OUTLINED

These are the views of National Park Service officials who discussed details of the seashore proposal at a meeting here Sunday.

The Park Service position on the reserve boundary question and its economic implications emerged in a series of answers to questions prepared by the Florence and Reedsport Chambers of Commerce.

"A mere strip of beach is not enough," Herbert Maier, a regional director at the Park Service's San Francisco office, told about 200 persons who attended the meeting.

Noting a phenomenal increase in seashore recreational use since World War II, Maier said that upland area is needed for camping and that a strip of land is needed as a buffer area. He did not expand on these points.

Considerable opposition to the Neuberger-Morse seashore proposal centers on inclusion of land east of Highway 101. Florence area residents are especially concerned about the privately owned and highly developed land around Woahink and Slitcoos Lakes.

LAND SAID RARE

George Collins, regional chief of the Park Service's Division of Recreation Resources Planning, San Francisco, said that the land

area within suggested reserve boundaries represents a rare combination of land forms.

After the meeting Collins told the Register-Guard that there are at least three technical reasons why the Park Service feels inclusion of the lake areas is fundamental in seashore creation and operation.

Of primary importance, he said, is a combination of land forms making preservation of the area important to earth and life sciences. This combination includes three stages of land development ranging from the formative stage along the beach to the relatively young but stable forms of the upland area just east of the lakes. In turn, each stage of land development supports its own distinctive flora and fauna, Collins said.

Secondly, Collins pointed out that the narrow dunes section alone would not lend itself to use by tourists on a year around basis. Prevailing winds would limit the use of the dunes for picnicking. The dunes would not be a desirable location for overnight facilities. Upland areas east of the highway are required for development into campsites, Collins said.

Thirdly, the land immediately east of the highway would undoubtedly be developed commercially if it were not included, Collins said. Such development would not be desirable along the entire length of the seashore boundaries, he added, pointing up the need for what was termed earlier a buffer area.

Economic implications of seashore creation were discussed by Ben H. Thompson, Chief of Recreation Resources Planning, National Park Service, Washington, D.C.

Creation of parks requires some readjustment of local economy, but lands included do not cease to be productive, Thompson suggested.

Thompson stressed that privately owned lands for park developments elsewhere have been acquired over long periods of time. Thus, he implied, removal of property from the tax rolls would be a gradual process depending upon the rate at which funds are made available.

Meanwhile, increased tourist expenditures in the area, would ultimately produce revenues that would offset tax losses, Thompson explained.

Some of those people who sell their property inside the reserve presumably would stay in the area, Thompson said, and new service businesses would be required outside the reserve boundaries, he added.

SPENDING INCREASES

Citing the Great Smoky Mountains National Park, Thompson said that all service facilities are located outside the park. A 1956 survey indicated that 2½ million people spent \$28 million for service during the year.

"That unquestionably produced more in local taxes than was ever produced by the land * * * and the same thing is happening again * * * on Hatteras," Thompson said.

The only national seashore created thus far under administration of the Park Service is at Cape Hatteras, N.C. It was authorized by Congress in 1934 and was created by the Secretary of Interior.

Land does not cease to be productive under park development, Thompson said, adding "the park is not a whole in the economy" of the surrounding region.

[From the Eugene (Oreg.) Register-Guard, Apr. 13, 1959]

PAPER FIRMS OPPOSE PARK

REEDSPORT.—Spokesmen for the International Paper Co., Gardiner branch, and the Crown-Zellerbach Corp. said here Sunday that their firms oppose the current proposal for creation of an Oregon Dune national seashore.

The IPC spokesman said that his firm has not yet found out in detail how the proposed seashore would affect its holdings. However, he added, the firm wants to go on record as objecting to the proposal.

As was reported earlier by the Register-Guard, the Crown-Zellerbach Corp. opposes inclusion of any land east of Highway No. 101. About one-third of the firm's Lake Tahwenitch Tree Farm lies within suggested reserve boundaries, the company spokesman said.

Two members of the Oregon Audubon Society, who said they were speaking as individuals, favored the proposal. They were Martha Anne Platte, of Portland, and Virgil Fischer, of Las Vegas, Nev.

Fischer said that in his opinion, passage of this measure would be the finest centennial present the State of Oregon could receive.

Howard Campbell, of Florence, said the Soil Conservation Service of the Department of Agriculture has already developed a plan for preservation of the Oregon Dunes area. He did not amplify this statement.

[From the Coos Bay World, Apr. 13, 1959]

REEDSPORT INDUSTRIES OPPOSE NATIONAL COAST PARK PLAN—FORESTRY FIRM OFFICIALS HIT GOVERNMENT RAIDS

(By Dawn Peseau)

REEDSPORT.—Senator RICHARD NEUBERGER's bill calling for establishment of a national park between the Umpqua and Siuslaw Rivers, including the seashore, dunes, and Sea Lion Caves, was opposed by industrial and other interests here at a mass meeting yesterday.

The meeting in the Reedsport High School cafeteria, attended by several hundred, was orderly; but the conflicts of interest over the park proposal were obvious.

The Lower Umpqua and Florence Chambers of Commerce called the meeting. A battery of National Park Service officials addressed the crowd and answered searching questions afterward.

A. J. Myers, general manager of the Long-Bell division at Gardiner of International Paper Co., submitted a prepared statement of objections from his firm.

George Harrington, resident forester from Crown Zellerbach Corp., read a prepared statement of protest. He cited his company's policy of tree farming in part of the affected area and its practice of making its land available to public recreation.

RAIDS CRITICIZED

The company spokesman criticized raids of Government agencies, urged that the State should decide when land is withdrawn from industry and local taxing units.

The Federal officials were asked about the possibilities of industrial use of the dunes when and if they are included in a park. Pacific Power & Light Co. has been experimenting in the dunes for several years for a possible source of industrial water.

"No," replied the Federal spokesmen. "It should be clearly understood that the United States is not in the business of acquiring national park land for industrial uses. There are ample dunes areas outside the proposed park region."

Deskin Bergey, of Pacific Power & Light Co., attended the meeting.

Other questions voiced through the Lower Umpqua Chamber of Commerce probed the potential effects on schools, port, fire, and other taxing districts. The panel was asked if the Government compensates areas for tax losses.

LOSS OFFSET

Ben H. Thompson, of Washington, D.C., National Chairman of the Recreation Resources Board, replied that loss of tax revenue would be more than offset by increased revenue to the community resulting from

the park. But in one instance, he said—Grand Teton National Park—payment in lieu of taxes was made over 20 years to local districts.

Regarding bonded indebtedness of local tax bodies, Thompson said the land would not cease to be productive, that it would be acquired gradually to facilitate adjustments, and that of the proposed area 13.7 percent lies in school districts.

"The national park does not become a hole or a void in the local community," declared Thompson. Structures in the area would be taxable, he added.

William E. Walsh, Coos Bay attorney, moderated the meeting. He read a letter from NEUBERGER commending the public for its interest and assuring that no boundaries would be defined or other action taken without full public hearings. His bill sets a limit of 35,000 acres.

On methods of acquisition, the park experts stated that the Government resorts to condemnation only in extreme cases; to clear title, prevent destructive values, or provide necessary public facilities like roads.

PROCEDURE TOLD

The procedure begins with appraisal by three local appraisers. This is followed by efforts to negotiate with the owner at a fair market price. Acquisition subject to life occupancy of the owner is common practice, said the Government.

But acquisition precludes the right of leaving the property to successors, they stated. Also, business established within the boundaries of the park would find it more profitable to move outside, they said. National park policy is buying out private business.

The panelists said they could not estimate when the park, if approved, might be developed since it depends on appropriation of funds by Congress. They estimated the cost at \$3 million.

The park officials were asked why the Federal Government supplements other Federal and State and county park promotion. They replied that these other agencies were doing good work, but an area like a seashore region requires a single-unit overall program rather than piecemeal efforts.

Replying to questions, the panel stated:

The Park Service would take over county roads within the park, but the State would retain its roads. Highway 101 would not become a toll road inside the park.

Park policy permits fishing, but hunting is carefully controlled.

Land ownership in the proposed park is divided thus: Federal, 13,115 acres; State, 522; county, 320; private, 14,963; lakes, 4,250; total, 33,170.

The Park Service representatives, in their preliminary address, described the Neuberger bill as part of Mission 66, a national recreation expansion program now in its third year of study. It was prompted partly by depletion of recreation areas on the east coast.

Among Government officials present were Herbert Maier, assistant regional director of the National Park Service; Thompson; George L. Collins, regional chairman of recreational resources and planning from San Francisco; and State agents.

William Morse represented Senator NEUBERGER.

LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1555) to provide for the reporting and disclosure of certain financial transactions and administrative

practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. ERVIN].

The Chair recognizes the Senator from Arizona.

Mr. GOLDWATER. Mr. President, in the coming days, much will be said, just as much has been said, relative to the disclosures before the McClellan select committee. Much has been written, much is being written, and much will be written about the atrocities and arrogant abuses of power which have been revealed before this committee during the last 2 years. The revelations, the words—written and spoken—go round and round in a repetitious pattern like drops of water in a whirlpool, slowly at first, but faster and faster as they race toward their vortex, the vortex of final conclusion. This conclusion is summed up on one word: power. All of the abuses which have been disclosed both on the side of labor and the side of management have been caused by the excessive and arrogant and even illegitimate use of power. Dr. Sylvester Petro, professor of law at New York University, is one who has studied the entire transcripts of the McClellan hearings and who has written intelligently and revealingly on this subject in his new book "Power Unlimited—Corruption Unlimited."

I shall be referring to Dr. Petro's words throughout this initial speech of mine on the subject, so let me borrow a shocking statement taken from the pages of the McClellan committee and appearing in his book to illustrate at the outset my point that the root—yes, the disease—is power:

Mr. TURNER (a reporter for the Portland Oregonian and a witness before the McClellan labor committee). I mean the members of the [Western Conference of Teamsters] union are scared to death to get out of line.

Chairman McCLELLAN. They are afraid to tell the truth and to reveal what they know?

Mr. TURNER. Yes, sir.

The CHAIRMAN. Their fear is what?

Mr. TURNER. That their union cards at least will be taken up and they will be out of employment. * * *

Senator MUNDT. To be deprived of their jobs, and they could not support their families?

Mr. TURNER. Yes, sir.

Senator MUNDT. There are other types of retaliation which they fear?

Mr. TURNER. Yes, sir; that union has a history in our State of physical violence to people who disagreed with them.

This, Mr. President, is an example—just one example among hundreds—of the sheer use of power by union bosses which has produced the shocking revelations of the last 2 years.

As I stated at the outset of this discussion, much has been said and certainly much more will be said on the floor of the Senate relative to this situation, but I doubt that we shall hear many references to the real source of trouble. In fact, if one studies S. 1555

one cannot recognize in its language any apprehension of the source of the evils which S. 1555 purportedly attacks. What we are doing with S. 1555, if we give it serious consideration in its present form, is to recognize the symptoms and refuse to deal with the disease. It is exactly as if a doctor told a patient who was suffering from cancer to go home and not worry about it; it is only a tummy ache. What we are saying to the American people as we proceed to consider this bill, reported by the Committee on Labor and Public Welfare, is that there is really no sickness in the union movement; there are only symptoms of sickness. It is in this general attitude that I suggest the Kennedy-Ervin bill approaches the subject.

I submit that the bill introduced does not begin to correct the evils to which it is directed. Because the majority of Americans are alarmed by developments in the labor movement and can see the inevitable results if we in Congress fail to meet the problem squarely and solve it, the matter should be thoroughly discussed and debated.

For a moment, let us look at the problem as a whole. What has caused the shocking situations revealed? Why do we have brutality? Coercion? And violence? With every sign that more is to come? I will tell you, Mr. President, in one word. As we examine the history of our present situation, we find time and again the reflection of power: Unrestrained, irresponsible, unrelenting power sanctioned by law. There is an alarming pattern here. A relatively novel one to the history of this country, because it is exactly the same monster from which our forefathers fled.

Because they knew the meaning of power and its inevitable corollary, corruption, the framers of the Constitution had every intention that the Constitution should be directed against the channeling of power into the hands of any single group or privileged few. Those men fresh from the scene of domination and oppression saw the immediate danger of privileged monopoly.

But what is the trend today? The trend is following a pattern certain to produce monopoly and bigness.

There are three areas in which this is taking place: First, there is Government. Government has become so large today that nearly every move we make is met with Federal regulation. Government after government in the history of this world has fallen because of the concentration of power in a centralized government; and, today, we are witnessing this growth in our own Nation's Capital. It can be successfully argued, Mr. President, in my own opinion, that big government spawns both big business and big labor, and that the three together will constitute a constant danger to our freedoms.

The second area of bigness is business. I may say that the usual explanation of the size of today's corporations is that, through a competitive struggle for survival, they have merged, for technological reasons, into massive combines.

But can the immense size be explained alone in this way? Not at all. There are two factors causing it, but the under-

lying reason for both is governmental policy. Fiscally, it is explained by two leading economists, Louis O. Kelso and Mortimer J. Adler, who state that in the operation of our great corporations today, the wealth produced by capital is divided by reference to considerations of expediency. Some goes to supplement wages; some, to pay the double tax on wealth produced by capital; some, to provide a major portion of new capital formation.

Corporations are subject to an income tax that is levied only upon the wealth produced by capital. The Federal Government and most States levy such taxes on corporations doing business within their respective borders. Under these tax regulations, however, corporations are not merely permitted indefinitely to plough back the wealth produced by their capital. They are constrained to do so by the effect of the steeply graduated personal income tax on the dividends received by their larger stockholders.

Thus, the structure of our tax system promotes bigness in the size of today's corporations.

As the size of the corporations grows, so grows the size of the unions with which management must deal in the determination of wage rates and benefits to be received by employees. As the unions grow, the trend snowballs for industry-wide bargaining, and this is followed by a greater body of Federal regulations proscribing such bargaining between employers and union representatives.

Government regulations on employee relations impose compliance burdens on today's businessman, such that only the largest can afford the staffs of accountants, lawyers and researchers required to keep abreast of procedures imposed upon them by bureaucratic proclamation. Mr. President, if the businessman attempts to follow the normal course of free enterprise, ignoring government channels, criminal sanctions are soon imposed upon him, and his business is terminated. Thus, Government practice in the employee-relations field encourages large corporations to grow larger.

Now for the third area, the one in which we are now intimately concerned. In contrast to business regulation, through a system of sanctions, our Government has created in the trade-union movement the power and privilege to compel union membership and to regiment employees by economic measures which are irresistible. This power today has the most far-reaching effect. Oddly enough, in this age of vast government and the proliferation of laws, we have in labor relations little government and less law. We have, instead, what Professor Petro calls a series of special privileges for abusive and destructive trade union conduct.

He states that:

The superstate has enmeshed honest and productive citizens in a debilitating tangle of contradictory rules and regulations while nourishing the lust of the vicious and the unscrupulous and tolerating their abuses with complacency until they now threaten not only the source which produces them, but also the governmental officials who have been feeding them.

Out of the wilderness of conflicting rules and the jungle of special privilege, the looters and destroyers who figure so largely in the McClellan hearings, have emerged with unlimited economic power and fearful political power. They have made the most of an environment cut to their qualifications.

Thus, in labor relations, freedom has become a fugitive trapped, held by a superstate, while giant unions "slug it out." They are "slugging it out" with big business in the most fearful struggle of our century. Even Jimmy Hoffa has recognized this situation; and I quote from an interview with him, as published in the St. Louis Post-Dispatch:

The future of labor-management relations is big labor and big business, for there is no room for the small business or the small union. That is unfortunate, but true. We have reached the saturation point. Now we have to organize what don't belong to us to stay in business. We are in business to make money—not for profit, we are a nonprofit organization, but to expand. We are out for every quarter we can get.

Mr. President, what will come of this struggle is in our hands here in the Congress now. This conflict of raw power, if left unchecked in its present direction, can only result in having government alone emerge as the sole survivor.

America is in danger. Not alone from the material or military threat of our enemies in Russia, but from one that exists within the boundaries of our country, within the hearts and minds of our people, a weakness reflected in the acceptance of the abuses of power, and a weakness further demonstrated by our inability to face up to the real danger. The Soviet threat is one which need not panic us, so long as we avoid abandonment of our fundamental strength—the principle of freedom under law.

The danger lies in the excessive power and special privileges. All big unions, as they wield the club of economic pressures, exploiting to the limit their privileges, have formed industry-wide monopolies fraught with abuses and corruption so rampant that they portend certain destruction of the trade-union movement, with the attendant handmaiden of disaster for our country.

What has brought this about? The answer lies in the failure of government to control power and corruption. Let me give some examples:

In Nebraska, a small trucking concern owned by a man named Tom Coffee, who refused to deliver his trucks to the Teamsters Union when a form contract was thrown at him by Teamsters agents, was put out of business by secondary boycott. In his testimony before the McClellan committee, Mr. Coffee said:

They were going to organize the men from the top down and they didn't have time to fool with the little companies, such as mine, and I suggested then that we ask the NLRB for an election. They said that they weren't interested in an election and I said that I would insist on an election. They informed me that if I would, that they would stall any election that I might insist on until I was bankrupt anyhow.

True to its word, the Teamsters drove Mr. Coffee out of business. By means of a secondary boycott, supplemented by the use of violence and election-delay-

ing tactics, Mr. Coffee's business was closed out. Mr. Coffee won every step of the way through the NLRB and his case was legally affirmed; but as he put it, "I never lost before a Federal court or before the NLRB, but I lost my business."

The committee agreed that the NLRB's dilatory, slow election processes were fundamentally responsible for Mr. Coffee's ruin. We thus called NLRB Chairman Leedom before the committee, to have him try to explain this. His statement was that the Board's election procedures, like all legal procedures, can always be abused by one who has the intention of delaying decisions, and that although irreparable injury may be incurred, due process does not permit the waiving of rules. He stated:

It looks like redtape to a union or employer who feels frustrated by the delays, but what is one man's redtape is sometimes the other man's due process.

Mr. President, it seems shocking that when our equity courts throughout the Nation stand ready with temporary restraining orders designed precisely to guard against the type of disaster Mr. Coffee suggested, the NLRB, which specializes in such matters, has no such relief to offer. Permitting employers direct access to courts would achieve two worthwhile results: It would prevent the ruination and destruction of threatened businesses, and it would tend to speed up the Board's election processes.

The Teamsters are also active in civic affairs. Let me read to you, Mr. President, an Associated Press dispatch taken from my own Phoenix, Ariz., newspaper, the Republic:

UNION RAPS GIRL SCOUTS

SAN FRANCISCO.—A spokesman for the Teamsters' Bakery Drivers Union says \$4,000 in union contributions to the United Crusade will be withheld until the Girl Scouts promise not to sell nonunion cookies.

The United Crusade is a combination of areawide public welfare groups. Union Secretary Wendell Phillips said the union learned that several Girl Scout units in the San Francisco Bay area had ordered cookies from nonunion bakeries in the Midwest. "What we want is a promise that the girls will buy local union-baked cookies in the future," he said.

They are charity minded, Mr. President, as long as they can dictate the terms upon which the charity is to operate.

Mr. President, the 5-year-old Kohler strike furnishes a record of mass picketing, nationwide secondary boycotts, and probably more instances of violence than does any other strike in American history. What was the purpose? The purpose was to force unionism on unwilling employees. In short, here is the picture:

Early in 1954, the United Automobile Workers held a strike election upon a company refusal to accept a compulsory union membership contract. At the time, the Kohler Co. had 3,300 employees; but the vote tally shows that only one-third of them participated in the election. The vote was 1,105 to 104, and the Kohler employees decided to strike.

Immediately after the strike was called, the United Automobile Workers set up a mass picket line, forming a human barricade of over 2,000 persons, a great many of whom were United Automobile Workers members who came long distances to participate as part of the United Auto Workers "flying squadron." Entrance into the plant was made impossible, although any worker who wished to do so had a legal right to enter. Many did, in fact, attempt to do so, since nearly two-thirds of the Kohler employees had not participated in the strike vote and were not unwilling captives of the union. Even with the intervention of the police, they were kept out. Nonstrikers were harassed, assaulted, and humiliated. Away from the plant, their home lives were made miserable by threatening phone calls, demonstrations, and vandalism. There were over 800 instances involving beatings, paint bombings, thrown acid, tire slashing, dynamited cars, and other violence.

In describing the union action in the Kohler strike, Donald Rand, an out-of-town international representative, had this to say:

It seems to me that it is almost sinful to have any labor dispute degenerate to the point this one has—where we actually have to wreck the company. That's what we're doing, wrecking the company.

Mr. William Bersch, a nonstriker, testified that John Gunaca, an out-of-town member of the UAW flying squadron of goons, assaulted and beat Bersch's father so badly that he was sent to the hospital, where he stayed for 18 days. Seven times after that he was returned to the hospital, and never fully recovered his health to the day of his death a year later. Mr. Gunaca fled to Michigan, where until recently he avoided extradition and prosecution for his vicious attack.

In another outrageous incident, Mr. Willard Van Ouwkerk was accosted one night in a tavern during the strike and viciously assaulted, after he had indicated that he did not wish to join the union. Mr. Van Ouwkerk stands 5 feet 6 inches and weighs 125 pounds. His antagonist, William Vinson, was 27 when he assaulted Van Ouwkerk, weighed 230 pounds, and was 6 feet 3½ inches tall. Van Ouwkerk had been hit from behind in the back of the head, knocked down, and kicked. The results were three or four broken ribs and a punctured lung, from which he contracted pneumonia. William Vinson was arrested, tried, and convicted. Subsequently, Mr. Emil Mazey, UAW international secretary-treasurer, made a speech at a union meeting, later broadcast to the Sheboygan radio audience, in which he stated that the judge in the case, Judge Schlichting, was unqualified to serve on the bench in that community. The provocation for this and other attacks upon Judge Schlichting was a comparatively mild 1-to-2-year sentence the judge had imposed upon Vinson for his assault, in spite of the fact that the maximum sentence possible in such a case was 3 years. Vinson actually served only 13 months. In defiance of the court order, Mazey issued a vicious attack upon the

integrity of Judge Schlichting, and imposed a UAW boycott upon the grocery store in which the judge's family had an interest. Unable to withhold comment any longer, several Catholic clergymen in Sheboygan issued a statement in which they pointed out that the attorneys for the convicted man had openly complimented the judge for his fairness during the trial and went on to say:

The State supreme court denied the convicted man a stay of execution of the sentence. In the face of all these facts, the secretary-treasurer of the UAW-CIO, Emil Mazey, closing his eyes to the fact that the injured man was in danger of dying, accused the judge of bias against organized labor.

He even presumed to question whether the judge is qualified to serve as a judge in this community. He has attacked the integrity of a major court of this country and deserves to be called decisively to task for this insolence.

Lawlessness is the result in any society or community when law and order are disregarded and flouted. It is the beginning of anarchy. Is the secretary-treasurer advocating either one?

Mazey promptly issued a statement in which he declared that these clergymen were not men of integrity themselves. Mr. Mazey, in a later statement before the McClellan committee reiterated his accusation that the clergymen of Sheboygan were not men of integrity. This would indicate that Mr. Mazey now not only is above the law, but he and his union have no respect for the church and the clergy either.

This strike has now gone on over 5 years. It has cost the United Automobile Workers over \$13 million. It is the admitted attempt of a gigantic union to break a company, regardless of what it costs in money, men, production, and American honor and prestige. While this has no direct bearing on the subject being discussed, I could not help wondering, when the unemployed march on Washington occurred last week, how much good this 13-plus million dollars would have done those unemployed people had it been applied there, instead of in an attempt to destroy a company and jobs.

The upshot of the violence and intimidation at the Kohler Co. was a complete breakdown of law and order.

Similar occurrences occurred at the Perfect Circle strike in 1955. Between July and October of that year more than 200 instances of violence occurred in the area of struck Perfect Circle plants in Indiana. The climax came on October 5, when a mob, only part of which were strikers, invaded the New Castle plant. The scene was described to the McClellan committee as follows:

Early in the morning, unusual activity was observed to the south and to the west of the plant. As time went on traffic in the area increased out of all proportion to normal conditions, and by 9:30 a.m. the streets were congested for blocks by parked and slowly moving vehicles. Women employees were sent to the cafeteria in the basement of the building. The men gathered in groups and silently watched the activity on the outside. Every person in the plant was extremely apprehensive and in fear of what was to come. As guns were fired

as a signal, two groups of the mob, each numbering hundreds, converged on the plant, charged forward, crashing through the gate. While 40 or 50 men started toward the entrances, a mob of 2,000 was gathered outside. A car parked outside the plant area was overturned, just as an employee stepped out on a platform in the northeast corner of the building and fired a 20-gage shotgun, low and in front of the men who were overturning the car, and continued to fire in front of the people who were approaching the plant entrances. At this point firing from the outside began. A woman standing in the window of the shipping room was shot in the upper left leg, the bullet lodging in the bone just below the hip joint. At about the same time one of the supervisors from the Hagerstown plant, standing in the payroll office, was hit in the abdomen by a bullet from the outside that came through the window. While shotgun blasts and rifle fire continued, the demonstrators barraged the plant with stones and other objects for an hour and a half. Nearly all the windows in the office buildings were broken and many cars inside the fence were damaged. A house across the street was demolished.

The mob included a great many people who were not strikers and who were not even New Castle residents. Many were UAW members from more than 20 miles away. The UAW disclaimed all responsibility in connection with these outsiders, as well as any responsibility for the violence. Confronted with this intolerable situation, officials of the UAW said that the union would be willing to go back to peaceful picketing if the management and city and State police would cooperate and stop protecting nonunion workers. They refused to agree to assist in stopping the violence, but said that if management only was allowed to enter the plant the union would agree to peaceful picketing with but five men on the line. This, of course, would mean the closing of the plant. When the Lieutenant Governor stated that declaring martial law would not involve closing the plant, one representative then warned that if the plant operated there could be more violence of the same kind that occurred earlier in the day. Further, he stated that plants at Hagerstown and Richmond could become targets of the same sort of violent demonstration, but disavowed any UAW desire for such violence.

In the Kohler and Perfect Circle strikes and similar cases, there seemed to be a surprising lack of law enforcement and a reluctance on the part of law-enforcement officials to prosecute those responsible for the violence. Often our committee traced this to the fact that witnesses are often reluctant to testify before courts and juries against the union for fear of reprisal, and that convicting evidence may be nearly impossible to obtain. We on the McClellan committee have noted this to be true in many instances when witnesses willingly gave information in private sessions with investigators, but when called before the committee took the fifth amendment and refused to give

evidence involving unions or union officials.

Another abuse of power is that of forcing employers to organize employees for the union in what is known as organization from the top. A recalcitrant employer can be forced to sign his employees into the organizing union regardless of whether or not they wish to be represented by the union. The stranger picket line is used to bring this result about.

Donald Skaff demonstrated to the McClellan committee how stranger picketing works. The Skaff Co., employing 45 workers, was approached by Teamsters Local Union No. 332 in Flint, Mich. The union presented a collective agreement for the company's signature. In Mr. Skaff's words:

The overriding theme in the entire incident is that we were prepared to have a vote of the employees involved from the very first day that we were approached by the Teamsters. They were unwilling to have a vote. They wanted to organize from the top and have us sign and not have a vote of the employees.

The union, however, resisted an election because it was evident the Skaff employees did not wish it to represent them. Mr. Skaff was faced with a dilemma. The National Labor Relations Board would not take the case and order an election: The business was too small. On the other hand, the Michigan State Mediation Board could be of assistance in ordering an election only if the union agreed to it. Finally, Mr. Skaff said:

The Mediation Board recommended that we join the union, since it was simply a case of who was the strongest.

Mr. Skaff decided to fight, and continued to fight even after the union set up its stranger picket line and beset him and his company with violence. He was ultimately forced to give in, however, so strong was the union's power. Three months after Mr. Skaff had refused to sign the coercive agreement he agreed that they were too small, signed the recognition papers, and allowed the company to be organized from the top.

Mr. President, this goes on and on and on. Thousands and thousands of unwilling American employees are signed into union membership against their desires by this tactic of an organization from the top. I suggest that in S. 1555 there is no remedy for this shocking condition.

One case follows another, and the experience of James J. Sporney, manager of the equipment division of Quaker City Motors Parts Co., Philadelphia, is typical. He testified that Bernard J. Marcas, organizing director for the Teamsters Joint Council 1953, had told him that if they did not sign up—

You will get nothing in. We will close you up first, if you don't sign up. We don't want a vote, we want a contract. I control Philadelphia. The union controls the country.

In another power play, the unions have moved into politics. What this portends for the Nation, if allowed to continue, can easily be seen from the following statement made by James L.

McDevitt, codirector of the Committee on Political Education at a regional meeting of local union officials of New England in Hartford, Conn., on July 19, 1956:

We are driving to see that every so-called labor leader speaks for what is best for the movement and not what is best for him. We are going to get the labor leaders who differ publicly with the position on candidates and issues already established by the labor movement. Such differings (hurt) the cause. These so-called labor leaders that differ with the movement will be uncovered. We plan to, and we will, publicly and among the rank-and-file, brand them as traitors. That's what they are—traitors—and that's what they will be called—traitors.

We are warning you now, and we are warning all in the future: Do not differ with the movement with respect to issues or candidates. We will not stand for it.

Believe me, Mr. President, this is no idle threat. The means may differ, but they always follow through. Here is an example:

Having been defeated in their election attempts in Arizona last fall, on April 5, the Committee on Political Education held a convention in my State and came up with some interesting plans. They have concluded that our newspapers are biased and prejudiced in their news coverage.

Mr. President, they came to that conclusion because our local newspapers uncovered the fact that the COPE organizer in the southwestern section of the United States had a very interesting jail record. He worked throughout the southwestern area of the United States. When our local newspapers disclosed the fact of the jail record, the Committee on Political Organization decided the newspapers were biased and prejudiced for merely printing the fact that their organizer had spent some time in jail.

Last week, with the Committee on Political Education-supported candidate who ran last fall against our new Republican Governor acting as attorney, corporation papers were quietly filed for a \$10.5 million newspaper enterprise. Big plans are underway in Arizona, with compulsory dues money as the propellant.

They approach us in Congress with similar big plans in the form of demands. Just recently AFL-CIO President Meany told us what kind of a labor bill we could pass in a statement before the Building Trades Council. Mr. Meany said that much as labor welcomes a cleanup of corruption, unless the provisions of title VI of the Kennedy-Ervin bill containing the so-called sweeteners were allowed to remain in, this bill would become unpalatable to labor and every effort would be made to assure its defeat.

Mr. President, there is nothing in title VI of the Kennedy-Ervin bill which by the remotest stretch of the imagination relates to anything that has been revealed by the McClellan committee. If Mr. Meany is honest and sincere in his statement about wanting to clean up corruption, he cannot be against the Kennedy bill, against the administration bill, or against the McClellan bill. If he is honest, as I feel he is, I think he

will retract that threat to the Congress of the United States.

Such threats to a Congress which is disposed not to incur the displeasure of big labor would carry great weight. I ask my colleagues to ponder for just one moment what the hue and cry would be if either the chamber of commerce or the National Association of Manufacturers attempted to tell the Congress of the United States in such an arrogant fashion what it would stand for or not stand for in the way of legislation.

The Taft-Hartley Act prohibits political activity at the Federal level on the part of unions and corporations alike; yet labor organizations are openly engaged in politics at all levels under the guise of education. Operating under the name of COPE—Committee on Political Education—they move into campaigns, name candidates, dictate platforms, provide political manpower, radio and TV and printed advertising, and trained political directors. In short, they are more concerned today with political activity than they are with the bargaining table. When one considers that the income of labor organizations approaches \$700 million this year one can begin to understand the power potential of this group in the area of politics. The power to control the Congress and State houses and legislative bodies—the power to destroy our political philosophies.

Who is responsible for the abuses which the McClellan committee has revealed? It is my firm belief that the responsibility lies in all three branches of our Government, and in their separate ways all three have been equally culpable. The source of the abuses lies in the special privileges which trade unions enjoy and which were granted starting in the early 1930's and which have continued through today.

First, Congress took away the right of every man who is endangered by unlawful conduct to immediate relief in the courts when irreparable injury is threatened. Congress has taken this right away from employers and employees and even the most unlawful conduct, when such conduct involves a union, cannot be enjoined. The Congress has also insured the weakening of employer resistance to even the most corrupt of trade union demands. Congress has denied access to the courts for immediate injunctive relief in two ways. First, for all practical purposes the Norris-La Guardia Act prohibits Federal courts from enjoining any activity in any labor case except violence amounting to civil insurrection. Thus, no employer can go into Federal court and get an immediate injunction against the most damaging picketing or secondary boycott even if it violates the Taft-Hartley Act. He cannot secure injunctive relief against violent union action unless he can prove that the local authorities are unwilling or unable to control the violence. The only injunctive relief available, thus, is usually obtainable only after the damage is done. This usually allows a business to be destroyed before relief is afforded. In the second instance, the Taft-Hartley Act enforce-

ment is assigned exclusively to the National Labor Relations Board. If the National Labor Relations Board and its general counsel refuse to prosecute the case, the employer is simply out of luck. He must take it on the chin. In practice it has been the small employers who have suffered because seldom has National Labor Relations Board action come quickly enough to them to avoid irreparable injury. The Taft-Hartley Act itself has been responsible for some of the abridgements of employee freedom, in spite of the fundamental principle of the Taft-Hartley Act being that of free employee choice. Employees are expressly declared to have the right to join or not to join unions, free of economic or physical coercion by either employers or unions, but Congress explicitly permitted unions to impose union-shop contracts upon employers and employees in States where such contracts are not prohibited. Unfortunately, this last act, coupled with the dilatory processes of the National Labor Relations Board and the Supreme Court's preemption doctrine, have blotted out the good intentions of the Taft-Hartley Act.

Thus, in brief, Congress set the stage and rang up the curtain, and handed the executive department its weapons of destruction. Through a series of strained interpretations, the NLRB has sufficiently emasculated the Taft-Hartley Act so that unions today have the very powers of compulsion which Congress had hoped to eliminate by the passage of the act. Here is one good example. In the New York Waldorf-Astoria barber case, the Waldorf-Astoria barbers were compelled to join a union to which they were opposed because the pressure exerted against the management and the immediate employer, the Terminal Barber Shops, was too great. The Teamsters stopped all deliveries, and garbage collections ceased. The hotel management refused to allow the hotel to be shut down merely because of a dispute in the barber's union and informed the barbers that they would have to join. At the hearings it was shown that the NLRB was without any power to afford relief to either the Waldorf Hotel or the small barbers' union, since this was one of the difficult common situs cases.

Professor Petro has offered a workable explanation of how relief might be obtained were we not saddled with the vagaries of NLRB rulings. He states that the difficulty exists only in the minds of the NLRB and its staff, and that the case is not a difficult one at all. The journeymen barbers' picketing was unlawful as addressed to the Waldorf barbers, and it was doubly unlawful inasmuch as it harmed the Waldorf-Astoria Hotel itself, a secondary employer. Furthermore, the Teamsters' refusal to cross the picket line to deliver supplies and pick up garbage, a refusal directed by Teamster officials, was an independent violation of the act. It amounted to inducement of work stoppage by a union in an attempt to make one employer, the trucking company employing the Teamsters, cease dealing with another, the Waldorf-Astoria Hotel. Professor Petro states that it could be demonstrated that

a number of other Taft-Hartley violations occurred in the journeyman barbers' picketing, the accompanying boycott, and the ultimate result. In this instance the violations were ignored, however, and the Board which had been set up to enforce the law with respect to these very types of violations would do nothing about them.

In the third act of this three-ring circus we see the Supreme Court carefully insuring that the constitutional rights taken away by the other branches are laid forever to rest beneath a headstone of a judicial case law. They began by broadening the base upon which the Federal Government could act. Every type of business and every conceivable type of activity became such that it affected interstate commerce. When it came to labor relations, the Court merely expanded this broad doctrine, pronouncing that the States should have no part in deciding the fate of labor cases within their borders.

Once having declared unions and their activities as affecting interstate commerce, they promptly released unions from the restraint of the antitrust law. It gave them the free use of a powerful tool, picketing, under the constitutional free-speech doctrine.

Next, it denied employers and non-union employees access to State courts by means of the *Garner-Garner v. Teamsters Union* (346 U.S. 485 (1953))—and *Guss v. Utah Labor Relations Board* (353 U.S. 1 (1957))—cases conferring exclusive jurisdiction on the Federal board and courts by means of the preemption doctrine.

In this tripartite fashion the trade union movement has been encouraged to amass power, to abuse its privileges, and to dominate the American scene. No wonder we find abuse. Power is abuse. Congress has a job to do. When we Senators assume our positions, we place our hand on the Bible and solemnly swear to uphold and protect the Constitution of the United States against all enemies, foreign and domestic. This oath is not taken capriciously; it is not taken lightly; it is a solemn oath that thousands of people have taken upon entering Congress to protect the basic concepts of their Republic. It is an oath which binds them to the job of seeing to it that the freedoms enunciated by the Bill of Rights and insured by the Constitution will remain forever inviolate. The job of Congress is to defend, preserve and protect our people, not to cower before self-interest. The alternative if we delay longer is degradation and failure. But in spite of this imperative mandate, let us look at what Congress is actually doing. The Senate has just had reported to it in a new version, S. 1555, a slightly amended version of the old Kennedy-Ervin bill. Therefore, I have said before on the floor of this Senate, and I have said in innumerable meetings around the United States, that the Kennedy-Ervin bill does not face up to the fundamental problem, which is a problem of power. If I were to be kind to the proponents of this bill, I would recognize that it has the procedures of a fairly good reporting

bill, but I suggest at the same time that reporting will not cure the evils produced by the blatant misuse of power by union leaders as has been disclosed before the McClellan committee. The Kennedy bill naively assumes that by reporting alone, the Secretary of Labor can detect the tyrants in labor and can then subdue them. It assumes that by mere words it can guarantee democratic processes to the union members without giving the union members at the same time any recourse to decisive action should those rights be ignored. It says, in effect by omission, that while clergymen, or the president or vice president of a chamber of commerce, or similar officers of the Red Cross or the YMCA and the YWCA are charged with fiduciary responsibilities, the union leader remains a sacrosanct person above these responsibilities. The McClellan committee in its interim report of last year specifically requested legislation to take care of the no man's land, fiduciary responsibility, and democratic processes. Yet, the Kennedy bill ignores two of those recommendations even though its author signed a report which made those recommendations. The second interim report of the McClellan committee has not yet been published but it is inconceivable to me that this can be released without specific recommendations that secondary boycotts and blackmail picketing be banned. Yet, the Kennedy bill completely avoids these two areas, both of which would be very objectionable to the union bosses.

What we in Congress must awaken to is the fact that freedom is the target of concentrated power. There is no question that trade unions have been scoring bull's-eyes for 30 years and taking away freedom which belongs to all of us and our children. How much more is there available for sacrificial offering? I submit that it may be too late. There is no question, however, that if we have any hope of retaining what little is left, we must deny the special privileges which allow the violence and monopolistic compulsion against union members.

We have reached a point again in our history where we once stood, when the question was asked of men, "Where do you stand, sir?" Do we want a republic whose constitution recognizes that freedom is ours because we are individuals and that freedom comes from God? Do we want a government unfettered by power? Do we want an economic system unfettered by abusive power? Do we want a labor movement with special privileges denied to the rest of our society, the use of which has produced the raw power disclosed before the McClellan committee? The answer, I say to my colleagues, rests in the question, "Where do you stand, sir?" If we remain true to our oath of office, if we believe in the proclamations of freedom and liberty which we make from rostrums across the land, if we believe that power invested in any segment of our population is bad, then I suggest to my colleagues who hear my voice or who read my words that we can demonstrate this by recognizing that in the approach to labor reform, suggested by the Kennedy bill, we find weak-

ness in that it does not approach the disease but only the symptoms. We can recognize that by adding amendments to be proposed by the administration and by the Senator from Arkansas [Mr. McClellan], who probably understands this field better than any of our colleagues, so that this bill can become a stronger bill, a bill which will bring a better sense of security to our American workers, be they members of unions or not, to the American public, and to management.

Many persons, including some of my colleagues, are fearful of the statement "a stronger labor bill." They do not like the expression. I wish to say that in my 7 years as a member of the Committee on Labor and Public Welfare I have never seen one amendment suggested by a Member of the Senate which in any way could hurt an honest labor union. The expression "stronger labor bill" has been given a bad connotation, in effect, by the bosses of labor, who do not wish their present status quo disturbed at all. In addition to that, let me say that nothing which has been suggested in the administration bill, in the McClellan bill, in the Curtis bill, in the Mundt bill, or in the Kennedy bill could in any way be construed by responsible people as being harmful to the labor movement.

Mr. President, if we fail at this crucial point in our history to measure up to our responsibilities as U.S. Senators, then history will judge us for what history will surely record us, as men who were timid when strength and courage were needed.

If, on the other hand, we want our freedom, we must work and sacrifice for it. There can be no compromise. Our Constitution is quite clear, and we either stick by our basic principles or we do not have them. There can be no compromise with those who would destroy us, because time is on their side. There can be no compromise with courage, the courage to stand for principle with strength.

Mr. President, I have a short statement which I intended to make during the morning hour and which, with the permission of the Chair, I should like to make at this time.

THE PRESIDING OFFICER. The Senator from Arizona has the floor.

CONTROLLING CORRUPTION IN THE UNIONS

Mr. GOLDWATER. Mr. President, a recent study was conducted by McFadden Publications, Inc., which was published in a printed periodical called "The Wage Earner Forum."

The study, which was completed April 6 and which I have just received, contains the results of interrogation of some 3,000 individuals in occupations which include skilled labor, semiskilled labor, unskilled labor and similar types of workers. The questions asked were directed to the problem, "What the workers want from Congress." The answers elicited in response to questions on labor legislation indicate an overwhelming desire on the part of both union members and nonunion working people for legisla-

tion which will protect them from the type of abuses disclosed by the McClellan committee. Interestingly enough, a great many of these people recognize compulsory unionism as the cause of these evils, and hence favor the enactment of right-to-work laws.

Mr. President, I ask unanimous consent that this study be inserted in the body of the RECORD following these remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONTROLLING CORRUPTION IN THE UNIONS

American wage earners overwhelmingly favor legislation which will control union corruption.

Question. Do you think Congress should pass laws to control corruption and crooked dealings in the unions?

[In percent]

	All wage earners	Union members	Non-union
Should.....	94	93	95
Should not.....	4	5	3
No opinion.....	2	2	2
Total.....	100	100	100

Reasons why workers favor this sort of legislation revolve around the fact that unions need outside help if they are going to clean house and that corruption, communism, and undemocratic ideals do exist in unions and must be weeded out.

"Our unions have too many communistic ideas and rulings." (Union metalworker, Ohio.)

"In unions such as Teamsters, the rank and file need Government help and protection in order to clean house. 'Let George do it,' has brought about the present situation." (Electrical worker, Indiana.)

"It would protect the members' investment demands." (Union member, Pennsylvania.)

"I think the undemocratic unions should have guidance." (Member, Mine, Mill & Smelter Workers, Utah.)

"It would protect the members' investments in their trade unions and avoid all the ill feeling toward labor unions." (Member, I.A.M., Colorado.)

REVEALING UNION FINANCIAL RECORDS

A large majority of workers, regardless of union affiliation, feel that the union books should be available for Government inspection. A smaller majority believe that the union financial records should be open even for public inspection.

Question. Do you think unions should be forced to make their financial information available for Government inspection—for public inspection?

[In percent]

	All wage earners	Union members	Non-union
For Government inspection:			
Yes.....	89	88	90
No.....	4	5	2
No opinion.....	7	7	8
For public inspection:			
Yes.....	70	66	75
No.....	15	18	11
No Opinion.....	15	16	14

Those who favor opening the financial records to everyone feel that such action would stop corruption in the handling of funds which are, after all, public funds.

"Because they are handling public money." (Nonunion worker, Wisconsin.)

"It would help stop racketeering and make 'em be more honest." (Nonunion worker, Utah.)

"We have a right to know where our money goes—I think." (Auto Mechanic, Alabama.)

"It would help stop corruption." (Nonunion laborer, Indiana.)

Others who favor Government inspection of the records but not public inspection, point out that unions are entitled to as much privacy as businesses.

"It seems a union should have the same protection as business." (Union painter, Illinois.)

"An inspection should be allowed only if there is suspicion of unlawfulness; otherwise it is as private as any business." (Plumber's union member, Georgia.)

RIGHT-TO-WORK LAWS

Only a little more than a third of all wage earners feel that right-to-work laws help the working man while more than two in five think that these laws hurt him. There is a sharp difference in union and nonunion workers' opinions on this subject. More than half of the union workers do not favor right-to-work laws, while more than half of the nonunion workers do favor these laws.

It is interesting that while only 38 percent of all wage earners favor right-to-work laws, 55 percent favor the idea behind these laws—that a company should be permitted to employ a man even though he does not join a union.

Question. Do you think right-to-work laws help or hurt the working man?

[In percent]

	All wage earners	Union members	Nonunion	East	Midwest	South	Far West
Help.....	38	26	57	46	35	47	24
Hurt.....	43	58	22	37	46	34	64
No opinion.....	19	16	21	17	19	19	12
Total.....	100	100	100	100	100	100	100

Question. Do you think a company should be permitted to employ a man even though he does not want to join the union?

[In percent]

	All wage earners	Union members	Nonunion	East	Midwest	South	Far West
Yes.....	55	39	79	57	50	67	48
No.....	40	53	18	38	43	28	47
No opinion.....	5	8	3	5	7	5	5
Total.....	100	100	100	100	100	100	100

Those who favor right-to-work laws express opinions similar to these:

"Any man should have the right to work at any job if qualified." (Member Teamsters Union, Illinois.)

"It gives a nonunion worker a chance to jobs that are now closed to him." (Nonunion worker, South Carolina.)

Those who feel right-to-work laws hurt the workingman are more inclined to repeat statements made by union leaders.

"Right to work conditions existed before labor was organized. Sweatshops and poor pay are a few of the things that these laws will bring back." (Plumbers and Steamfitters Union member, Indiana.)

"Because it would kill the unions in a short time." (Carpenter Union member, California.)

The paradoxical position of the wage earner is dramatized by the fact that almost 3 in 10 of the workers who say that right-to-work laws will hurt the workingman also say that companies should be permitted to employ nonunion workers.

	Wage earners who say—	
	Right-to-work laws hurt the workingman	Right-to-work laws help the workingman
Bases.....	439	377
Companies should be permitted to employ nonunion workers.....	Percent 28	Percent 80
Companies should not be permitted to employ nonunion workers.....	63	18
Have no opinion.....	9	2

LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959

The Senate resumed the consideration of the bill (S. 1555) to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes.

Mr. McNAMARA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that Mr. James V. Constantine, Solicitor of the National Labor Relations Board, be permitted to sit on the floor of the Senate during the debate on the labor bill.

Mr. JOHNSON of Texas. I have no objection. It is customary procedure for Members to desire to have technical assistants available, and I assume that that is what the Senator has in mind.

Mr. GOLDWATER. Yesterday, I understand, unanimous consent was granted to permit Professor Cox of Harvard University to assist the Democrat side. I merely wished to have the help of Mr. Constantine, who has sat through all the committee hearings and who is an expert in the field under discussion. He can aid Members on both sides of the aisle who desire to consult him.

Mr. JOHNSON of Texas. The Senator is quite within his rights. I heartily concur in his request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF CLARE BOOTHE LUCE TO BE AMBASSADOR TO BRAZIL

Mr. MORSE. Mr. President, I understand that in the morning hour, while I was off the floor and unnotified of their intentions to pay their respects to me, the minority leader, the Senator from Illinois [Mr. DIRKSEN], and the Senator from Arizona [Mr. GOLDWATER] rose to the defense of a fair lady who has been nominated for the position of Ambassador to Brazil.

Apparently they seem to think that we should have a policy of exempting from cross-examination such a fair lady when called before the Foreign Relations Committee. Let me make clear that my cross-examination of her sought to lay a foundation for an evaluation of her diplomatic judgment. At the hearing on the nomination of Mrs. Clare Boothe Luce, I did a little cross-examining which I thought pointed out very clearly her lack of diplomacy and her exceptionally poor judgment. It is my view that if one is to fill a post so vital to the welfare of the Nation as that of Ambassador to Brazil she should possess better qualifications for diplomacy than Mrs. Luce demonstrated in her answer to my questions.

Apparently these two distinguished Republican colleagues of mine, Mr. GOLDWATER and Mr. DIRKSEN, do not believe that speeches which one makes are subject to review when the issue before a committee is whether the nominee has the judgment which one should have in order to fill a diplomatic post. Apparently—to judge from the remarks which have been made on the floor today by Mr. GOLDWATER and Mr. DIRKSEN and I have scanned them—they seem to think that if, in a political campaign, one makes an untruthful statement, it should be excused and no one should comment on it subsequently. They seem to think that if one should ask for documentation in support of statements such as those Mrs. Luce made in the past about President Roosevelt and Truman and Acheson that he is taking advantage of such a fair lady. To the contrary I think we were very fair to give her an opportunity to offer proof if she could in support of her shocking charges.

So when the Senator from Arkansas [Mr. FULBRIGHT], the chairman of the committee, and I quoted to Mrs. Luce past statements of hers, and asked her whether she wished to stand by them, not only did we feel that we were raising matters quite relevant to the issue of the kind of judgment she possesses, but we also performed a service to her, by giving her an opportunity—if she wished to take advantage of it—to document her charges. And when I quoted to her her past statement that President Roosevelt was the only American President who ever "lied us into war," and when I asked

her for a documentation of that charge, we were raising a point which, in my judgment, pertained to her judgment and to her qualifications of judgment to fill a post such as the Ambassadorship to Brazil.

Let me say to my good friends, the Senator from Illinois and the Senator from Arizona, that I stand on that examination; and I am satisfied, so far as my vote is concerned; that Mrs. Luce's responses to that examination disqualify her for the post to which she has been nominated. The record shows I told her so; and I told her that I considered her statements—in the absence of any proof—to be subversive. I repeat the charge on the floor of the Senate today. With such a record of false statements on her part I consider her unqualified for any diplomatic post. She would not be the Ambassador to Brazil of just partisan Republicans may I point out to Mr. GOLDWATER and to Mr. DIRKSEN, she would be the Ambassador of all Americans.

Mr. President, I think that when one who was a Member of Congress which she was at the time—has made a statement that a President of our country "lied us into war," and then did not come forward on yesterday with any documentation in support of her statement, the comments I made in regard to her are more than justified.

Then I cited some other statements she made, involving President Truman and Dean Acheson, which in my judgment show a lack of diplomacy and good judgment on her part.

I am not little amused because my friends, the Senator from Illinois and the Senator from Arizona, seem to think that because I have made statements critical of Presidents, statements which I have always backed up with documentation, therefore I should exempt Mrs. Luce from being held responsible for her statements.

I am always willing to assume responsibility for my statements; but, of course, I have never offered myself as a diplomat. I am not a candidate for any diplomatic post. Mrs. Luce is. And, of course, there is also the great difference that when I "take them on," I am ready to offer my proof.

My good friend, the Senator from Arizona [Mr. GOLDWATER], seems to think that there is no criticism among responsible people of Mrs. Luce's record as Ambassador to Italy. To the contrary, there is much criticism of Mrs. Clare Boothe Luce's record as Ambassador to Italy. I brought out that criticism on yesterday, in long cross-examination; and I stand on it. I am satisfied that the record is perfectly clear that she misused the post of Ambassador of the United States to Italy, by intervening in the Italian elections. I do not think there is any doubt about it, and I brought that out in my questioning of her. I sought to find out whether that was going to be her course of action in Brazil, because she is being asked to serve as Ambassador to a nation where the memory of Franklin Roosevelt, the architect of the good neighbor policy, is revered. The good

neighbor policy has deteriorated under this administration; but it is a policy which created great and needed good will between the United States and Latin America.

Mr. President, I wish to say—to use a colloquialism—that I believe it is a diplomatic "boner" on the part of the President to send to Brazil, as our Ambassador, a woman who has said that Franklin Roosevelt "lied" the United States into a war, even though she may be the wife of Henry Luce. I think it is a great mistake.

Mr. KEATING. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Does the Senator from Oregon yield to the Senator from New York?

Mr. MORSE. I am delighted to yield.

Mr. KEATING. The qualifications of Mrs. Luce as prospective Ambassador can be judged, it seems to me, in large part by the service she rendered in the ambassadorial post she held, a respect in which she does differ from the senior Senator from Oregon, who is not now a diplomat, and never has been a diplomat—and I use the official designation.

Mr. MORSE. Or never will pretend to be.

Mr. KEATING. Does not the Senator from Oregon feel that whether or not she in any way had any hand in Italian elections, the result of the Italian elections benefited the free world?

Mr. MORSE. I wish to say to the Senator from New York that for a period of time, as a result of her blunders in Italy, the free world suffered in Italy. The record is perfectly clear that her attempt to bring the Monarchists into power, by supporting the Monarchist wing in Italy, was a disservice to the United States when she was our Ambassador to Italy. I also wish to say to my friend, the Senator from New York, that a "cover-up" job has been done on Clare Boothe Luce in regard to her record as our Ambassador to Italy. I started, on yesterday, to bring that out; and before the vote is taken on the question of confirmation of her nomination, I shall bring more out with regard to the great mistakes she made as our Ambassador to Italy. Now I turn to the next indictment I wish to make in regard to the policy which she and her husband followed in Italy. It relates to their interference with the oil policies of Italy.

Mr. KEATING. Mr. President, will the Senator from Oregon yield further?

Mr. MORSE. In my judgment, there can be no doubt that both Henry Luce and Clare Boothe Luce did what they could to interfere with the Government oil policies of Italy. In view of her record in Italy with regard to intervention in the Italian oil policies, I think it is a great mistake to send such an Ambassador to Brazil, where there is another Government monopoly, and where the oil industry is run by the Government.

Mr. KEATING. Mr. President, will the distinguished Senator from Oregon yield further?

Mr. MORSE. I yield.

Mr. KEATING. The Senator from Oregon is very adroit and agile and able.

But at the moment I am trying to pinpoint the Italian situation and I confine my questions to the Senator from Oregon to Mrs. Luce's service in Italy.

Does not the Senator from Oregon realize that, no matter what Mrs. Luce may have tried to do, or no matter what anyone else may have tried to do, the Monarchist Party in Italy was so small that it could not, under any possible set of facts, ever have gotten into power in Italy?

Mr. MORSE. I brought out at the hearing on yesterday, let me say to my friend, the Senator from New York, that her intervention caused bitter criticism of the United States in Italy, at the time, and resulted in the election of Scelba who was not of the party she was supporting, and that was clear proof of her intervention. What I sought to bring out in the hearings was that she should have kept her hands off of the politics of Italy. I sought to make clear that if she does become our Ambassador to Brazil, it should be with a pledge that she will keep her hands off of politics in Brazil.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. MORSE. I am delighted to yield.

Mr. KEATING. Does not the Senator realize that if those elections, in which the Senator alleges she had some participation, had not gone the way they did, Italy might well have gone Communist?

Mr. MORSE. The Senator from New York misses my point. Italy went the way it did in spite of Mrs. Luce, not because of her. My criticism of her has nothing to do with how the Italian elections went, but that she sought to intervene in the Italian elections, and no American Ambassador should do such a thing.

Mr. KEATING. Does not the Senator realize that the result of those elections was in conformity with the desires of the administration and of the leaders of both political parties in this country?

Mr. MORSE. That has nothing to do with the issue I am raising as to her disqualifications to serve as ambassador because of the fact that she did not maintain a position of neutrality in connection with those elections.

Mr. KEATING. Does not the Senator feel that if she contributed in some manner—in a legitimate manner—to the result of the Italian elections, she was serving our interests and the interests of the free world?

Mr. MORSE. No, not at all. She did not contribute to the winning side. The Monarchists did not win, thank God; and the Communists did not win, thank God.

Mr. KEATING. But the free world won, and the anti-Communists in Italy won.

Mr. MORSE. But she was not supporting the party that won.

Mr. KEATING. If Mrs. Luce contributed to that result, I think she served the interests of the free world.

Mr. MORSE. That is a very interesting commentary by the Senator from New York, if what he means to imply by his remark is that Ambassadors we

send abroad should embroil themselves in the elections of the countries to which they are accredited. I simply want to say I reject that idea. I am criticizing Mrs. Luce because she let herself become involved, when she should not have done so.

Mr. KEATING. I have made no such intimation.

Mr. MORSE. I have made my interpretation of the remarks of the Senator from New York. I will let the RECORD speak for itself as to whether reasonable men will come to the conclusion that the Senator is trying to support an Ambassador who did involve herself in an election. I draw the conclusion from the Senator's statement that he thinks it was all right for her to have done so.

Mr. KEATING. In the present state of the world, I would support any Ambassador who, in a legitimate manner, helped to prevent our allies and friends in the free world from going communist.

Mr. MORSE. The Senator begs the whole question when he says, "in a legitimate manner." I simply say that, if we are going to follow what the Senator from New York has suggested, we ought to announce to the world "We want you to understand that when we send Ambassadors to you we are sending advance campaign managers for the side in your country's political campaigns we want elected." Just make that American policy and then see how many vacant Embassies there will be when we make such an announcement and foreign governments proceed to send our Ambassadors home. It is an untenable suggestion that our Ambassadors have any justification in meddling into the domestic political campaigns of a foreign country.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JAVITS. I have listened to the Senator from Oregon with some interest. I had not heard the comments of my colleagues from Arizona and Illinois. Mrs. Luce is close to being a constituent of the junior Senator from New York [Mr. KEATING] and myself.

Mr. MORSE. I want to say I admire the chivalry of the Senators from New York [laughter].

Mr. JAVITS. Some fine things have been done in the name of chivalry—

Mr. MORSE. But we simply have to have a policy in the Senate of passing judgment on the record of nominees.

Mr. JAVITS. I am going to point out the record. That is why I rose. I happened to be in Italy on a number of occasions when Clare Boothe Luce served there, and on a number of occasions since. If we are to evaluate this issue fairly, and throw into the balance what the Senator from Oregon has said about Mrs. Luce—and I think it is fair to mention that—there should also be thrown into the balance these facts: It seems to me that through the ambassadorships of Mrs. Luce and Mr. Zellerbach, two persons whom I happen to know better than one knows most Ambassadors, we have developed a relationship with Italy in

which Italy is probably as dependable a member of the NATO alliance as we have in all Western Europe.

If we are going to pass judgment on the question, I think it also is fair to give a very heavy value to the result. Whatever may be the dynamics of the situation, and the Senator from Oregon is at liberty to speak to them, and argue them, and contend for the particular opinion which he espouses, the fact is that during the two tenureships, a relationship has been built up which has made Italy, insofar as the United States is concerned, one of the most dependable allies we have in all of Europe. I think it is only fair to tote up the whole score.

Mr. MORSE. The only difficulty I have with the statement of the Senator from New York is the break in the chain of cause to effect involved in his argument. I do not know what his comments have to do with Mrs. Luce's testimony yesterday. What I am seeking to point out at this point in the debate is I am satisfied that what has developed in Italy has developed in spite of her. In view of the mistakes she made as Ambassador, I think we are very fortunate that the situation has not deteriorated in Italy.

Mr. JAVITS. What I am seeking to point out—and I think it is only fair that we tote up the whole score—is that when a person has a job to do and the end result in respect to that job is good, I think that person is entitled to credit as well as criticism for anything she has done in the job of which the Senator from Oregon disapproves. That is the only point I make.

Mr. MORSE. I merely wish to point out that merely because two facts exist at the same time, it does not necessarily follow that one fact is the cause of the other.

Mr. JAVITS. They should be discussed.

Mr. MORSE. When I am discussing her record as Ambassador to Italy, I am discussing the whole record. I only wish to point out that I think it is a mistake to send to Brazil, where there is a Government oil monopoly, an ambassador whose past record shows the position she takes in regard to such a domestic oil policy as exists in Brazil.

The next point, and the last point, I desire to raise today is that when we come to judge the diplomatic qualifications of a person, we should take his or her total testimony and the responses which are made to questions. We then have to ask ourselves, "Does this person demonstrate sufficient stability, emotionally, and mentally, and does this person demonstrate such a position on issues vital to the welfare of America in any foreign embassy abroad as to justify voting for confirmation of his or her nomination?"

I listened to Mrs. Luce yesterday, and I came to the conclusion that she does not have the mental and emotional stability which I think a good diplomat should have. I only wish to say that the Senator from Arizona, the Senator from Illinois, and now my two good friends, the Senators from New York, have, in my judgment, offered nothing in this

record by way of evidence which would justify my changing the point of view I expressed in the hearing yesterday. When this administration nominates a woman for the ambassadorship of Brazil, who has stated, "Franklin Roosevelt is the only President in our history who lied us into war," then I must conclude that in the absence of documentation of proof of that charge, I cannot, in good conscience, vote to confirm the nomination of such a person, and I shall not do so.

Mr. President—
The PRESIDING OFFICER. The Senator from Oregon.

RAILROAD RETIREMENT BILL

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I made today as chairman of the Subcommittee on Railroad Retirement of the Senate Committee on Labor and Public Welfare, which is a press release summarizing the bill and announcing that the bill was reported by the full committee this morning by a vote of 14 to 0 with 1 member recorded as "present."

I attach to the release a summary of the committee amendments.

There being no objection, the statement and summary were ordered to be printed in the RECORD, as follows:

MORSE ANNOUNCES LABOR COMMITTEE APPROVAL OF HIS RAILROAD RETIREMENT BILL

Senator WAYNE MORSE, Democrat, of Oregon, today announced that the Senate Committee on Labor and Public Welfare had voted 14 to 0, with one member recorded as present, to report his railroad retirement bill, S. 226, favorably for consideration by the Senate. Senator MORSE is chairman of the subcommittee which considered the bill.

The bill, so reported, conforms closely to S. 1313 passed by the Senate last year, but which died in the House of Representatives.

In announcing the committee action, the senior Oregon Senator expressed real pleasure for the unanimity which prevailed among the committee members.

"It is my sincere hope that there will be early action and full approval of this bill in the Senate because it will strengthen the hands of those in the House of Representatives who are working with us to bring to the retired and unemployed railroad workers of America benefits that are urgently needed in coping with higher living costs," said MORSE.

The principal provisions of the bill are as follows:

1. Retired railway employees and all others receiving retirement benefits will receive approximately a 10-percent increase.

2. This increase, together with the increases approved by the Congress in 1956, necessitates increases in the taxes which finance the Railroad Retirement Fund. The bill, as reported to the Senate, provides for such increases in taxes on a graduated scale to become effective in the calendar month immediately following passage of the bill. The rates would become 6½ percent immediately and 7½ percent after December 31, 1961. The tax will be applicable on the first \$400 of the monthly earnings.

3. The bill, as reported, calls for increases in unemployment insurance benefits. An employee with between 10 and 15 years of service who has exhausted his rights to unemployment benefits would have his benefit year extended by 13 weeks during which he could receive unemployment benefits. An employee with 15 years of service would have

his benefit year extended by 26 weeks. The provision in the bill for the payment of temporary unemployment compensation to employees with less than 10 years of service up to a maximum of 65 days, but not later than April 1, 1959, would be extended to July 1, 1959, in order to conform, as nearly as possible, to the provisions in Public Law 86-7 which was approved March 31, 1959, extending the Temporary Unemployment Compensation Act of 1958 to July 1, 1959.

4. Because of the existing high unemployment rate in the industry and the fact that an extraordinary drain has existed for some months on the unemployment insurance fund, the committee voted authority to the Railroad Retirement Board to borrow from its retirement fund with interest for temporary financing in the event it should become necessary. It also voted an increase in the unemployment tax rate levied upon the carriers to 4 percent, at least until such time as the fund accumulates a sufficient reserve.

SUMMARY OF THE COMMITTEE AMENDMENTS

The bill, S. 226, 86th Congress, is in general the same as the bill, S. 1313, 85th Congress, that was passed by the Senate last August. The committee, after consideration of the bill S. 226, approved the same with the following changes:

(1) (a) The 10-percent increase in retirement and survivor annuities is made effective with respect to annuities accruing for months after the month of enactment of this act. The effective date for the 10-percent increase in pensions is changed accordingly.

(b) The increase in tax rates for Retirement Act purposes, as well as the increase in the taxable and creditable monthly compensation base, is made effective with respect to compensation paid in months after the month of enactment of this act for services rendered after such month.

(c) The increase in lump sum payments is made effective with respect to deaths occurring after the month of enactment of this act.

The effective date with regard to the work restrictions on disability annuitants, and survivor beneficiaries working outside the United States, and the inclusion of social security wages for the purpose of computing survivor benefits, are not changed (effective for calendar years beginning with the calendar year 1959) because they all require computation on an annual basis.

(2) In view of the testimony before this subcommittee that the maximum contribution rate provided in S. 226 of 3½ percent would be inadequate to retain the railroad unemployment insurance account on a sound financial basis, the maximum contribution rate in the newly proposed table for unemployment insurance contributions is changed from 3½ to 4 percent, but this table, as well as the increase in the monthly taxable base from \$350 to \$400 a month, is made effective with respect to compensation paid in months after the month of enactment of this act for services rendered after such month.

The provisions for increasing and extending benefits under the Unemployment Insurance Act and the effective dates of such increases and extensions are not changed.

(3) In view of the low balance in the railroad unemployment insurance account, a new amendment is added to the Railroad Unemployment Insurance Act which confers upon the Railroad Retirement Board the authority to borrow from the railroad retirement account for the payment of benefits and refunds under the Railroad Unemployment Insurance Act, on a reimbursable, and 3 percent interest, basis.

(4) The provision in the bill for the payment of temporary unemployment compensation to employees with less than 10 years of service up to a maximum of 65 days, but

not later than April 1, 1959, is extended to July 1, 1959 in order to conform, as nearly as possible, to the provisions in Public Law 86-7 which was approved March 31, 1959, extending the Temporary Unemployment Compensation Act of 1958 to July 1, 1959.

(5) A technical amendment is added to section 1(k) of the Railroad Unemployment Insurance Act. Under present law, if an individual's base year's earnings are insufficient to make him a qualified employee but for the inclusion of subsidiary remuneration, no day on which he earns such subsidiary remuneration is a day of unemployment although otherwise it may be. In view of the proposed increase in the qualifying earnings from \$400 to \$500 in the base year, section 1(k) of the Railroad Unemployment Insurance Act is amended by striking out "\$400" and inserting in lieu thereof "\$500".

(6) An amendment is added incorporating S. 280. This amendment would provide that pensions and annuities under this act would not be considered as income for purposes of the income limitations prescribed by section 422 of the Veterans' Benefits Act of 1957, under which non-service-connected disability pensions are not paid to any "unmarried veteran whose annual income exceeds \$1,400, or to any married veteran or any veteran with children whose annual income exceeds \$2,700."

NONRESIDENT TAXATION

Mr. KEATING. Mr. President, I ask unanimous consent to have printed in the RECORD the testimony which I gave this morning before the Senate committee dealing with constitutional amendments, with relation to the proposal for a constitutional amendment to prevent any State from imposing an income tax on the residents of other States, including the State represented by the distinguished occupant of the chair, the Senator from New Jersey [Mr. WILLIAMS].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR KENNETH B. KEATING OF NEW YORK BEFORE THE SUBCOMMITTEE ON CONSTITUTIONAL AMENDMENTS OF THE SENATE COMMITTEE ON THE JUDICIARY ON S.J. RES. 29 AND S.J. RES. 67 RELATING TO THE TAXATION BY STATES OF NONRESIDENTS, THURSDAY, APRIL 16, 1959

Mr. Chairman, I want to thank the committee for this opportunity to appear before you today.

Any proposal to limit the power of the States to tax the personal incomes of non-residents earned within the State, is of great interest to New York. It is well known that New York derives over \$30 million annually in revenue from such taxes, primarily from New Jersey and Connecticut residents who work in New York City and other metropolitan areas. Overall, it is estimated that more than 190,000 persons are in this situation.

Moreover, while the number is small by comparison, thousands of New York residents who live in such border areas as Buffalo and Chatham, as well as in New York City, are in exactly the reverse situation. Their plight, however, while it should not be overlooked, is not as serious. Neither New Jersey or Connecticut have any income tax. And while double withholdings are possible in the case of New York residents who work in Massachusetts and Canada, a full credit is given by New York for the amount of such taxes paid in other States.

The situation in New York I am sure is typical of the situation in many other areas of the country. Rapid means of transporta-

tion have made even the interstate commuter a common national figure. Expansion to the suburbs frequently ignores State lines. The result is a steady flow of people daily spilling over State boundaries.

These conditions are symptomatic of 20th century America. There is no doubt in my mind that the general condition is good and that no State would ever benefit from sealing off its borders to neighboring citizens. At the same time, a certain amount of self-interest is bound to pervade the operations of any governmental unit. What we must guard against is the perversion of self-interest into selfishness. The States must look after their own, but they must not do so in a way which unfairly discriminates against friendly sojourners in their midst.

I recognize the reasonableness of some of the complaints about New York's present tax provisions with respect to nonresidents who work in the State. A nonresident, for example, may not itemize such deductions as medical expenses and out-of-State charitable contributions, which are allowed to New York residents. He cannot deduct the interest on his mortgage and the real estate taxes on his house, as can a New York resident. But these are specific, practical problems which can be dealt with without disregard of the fundamental considerations involved. They are irritants which should be cured, but the cure should not be allowed to destroy the whole system.

The basis for taxation of the income earned within a State by nonresidents has long been recognized.

The first cases sustaining such taxes were *Travis v. Yale & Towne Mfg. Co.*, 252 U.S. 60, and *Shaffer v. Carte*, 252 U.S. 37, both decided in 1920, which upheld respectively the New York and Oklahoma nonresident income taxes law. The Court pointed out in those cases that the States assume and perform the duty of preserving all persons, property, and business, within their borders and in consequence, must enjoy the power to resort to reasonable forms of taxation to require all such persons and interests to contribute to the expenses of government.

I assure the committee that a New York firehouse will respond to a fire alarm within the State without any preliminary inquiry as to whether the structure on fire is owned by a resident or nonresident. The New York City subways accommodate New Jersey and Bronx commuters on an equal basis. New York's highways, policemen, museums, and other services are available alike to the resident and nonresident within the State. There are no separate seats on the Staten Island ferry for workers who come to New York from out of State and for those who come from its own environs.

The Constitution entitles a nonresident to the privileges and immunities of a citizen, but to no more; not to an entire immunity from taxation, nor to any preferential treatment as compared with resident citizens. The nonresident taxpayer is entitled to protection against discriminatory taxation, but he has no right to be favored by an equally discriminatory exemption.

The Supreme Court said in the *Travis* and *Shaffer* cases that any contention that a State is debarred from exacting a share from the production and gainful occupations which borrow on its facilities for the protection and security of property and persons is so wholly inconsistent with fundamental principles as to be self-refuting. I agree fully with that statement.

The Supreme Court has also upheld the provisions of the New York law, which grant to nonresidents deductions less favorable than those extended to residents.¹

The reasoning of the courts in that case was that the factor of residence had a legiti-

mate connection with the allowance of more liberal deductions and justified classification of deductions founded upon residence. On that basis the Court upheld a denial to nonresidents of deductions for taxes and interest paid on real property located outside the State and such other personal expenses as life insurance premiums and medical costs.

It is not my contention that the existence of the power to tax nonresidents on this basis necessarily requires or justifies its exercise. Abstract legal considerations are not always the best guide to sound intercommunity relationships. The States involved in this problem should do all within their power as sovereign States to rectify any actual abuses which exist.

Governor Rockefeller has only recently announced that he was making the nonresident tax one of his main areas of study this year. He has called upon State officials in New Jersey and Connecticut to comment officially on recommendations which have been made to deal with various alleged inequities. Such local consideration is the proper approach to the matter and should not be handicapped by Federal intervention.

The proposed constitutional amendments would completely overturn a principle of taxation that has been judicially approved for over 40 years. They would, in effect, confer on nonresidents most of the privileges of residents, but exempt them from obligations imposed on the citizens of the State. The inequity of such a result is apparent. Nonresidents who enjoy the advantages of employment and the receipt of income within a State—and who share in the use and enjoyment of the facilities provided by the State—are morally obligated to pay a quid pro quo in the form of a tax on income earned in such State. The denial of this obligation in the case of income taxation would apply with equal force to the refusal of out-of-State residents to pay out-of-State gasoline taxes and tolls—a preposterous proposition.

It is no concern to New York that New Jersey and Connecticut do not choose to tax the income earned within those States by its citizens. But any attempt to give this practice extraterritorial application is of grave concern. The sovereign States must treat all within their midst fairly—but they need not yield their individual rights to desires which run counter to their reasonable interests.

The 31 States which levy income taxes all extend the tax to nonresidents who earn income within the State. Under these circumstances, the only beneficiaries of the proposed amendments will be nonresident workers who live in the minority of States which levy no taxes on personal income. No benefit at all will accrue to residents of income tax States who work and earn their living in States levying no income tax; for in all 31 income taxing States, taxation is levied on the basis of domicile regardless of where the income is earned.

The proposed constitutional amendments would serve the interest of only a minority of the States, would unfairly burden the citizens of the respective States with the cost of services provided to out of staters, would interfere with the sovereign rights of the States, and would repudiate long-established legal principles. Certainly this is too drastic a measure for dealing with whatever specific defects now exist in the respective tax laws. I respectfully urge the committee, therefore, to report the amendments unfavorably.

AMERICAN DEMOCRACY VERSUS COMMUNISM

Mr. YARBOROUGH. Mr. President, in order to protect this Nation and help other countries fight against the Godless

hordes of communism in the battle for the minds of men, we, as a people, must practice the democracy we preach.

The United States of America is today the hope of the free world. It is the one vehicle with the vigor and the vision to minister to the needs of mankind.

The Old Testament prophet, Micah, said that without vision the people will perish. His message stands before us today—and we must heed it.

We must have the vision to recognize that the world in which we live is in a state of great social, economic and political revolution. We must see that over one-third of the people of the world are hungry and that countless millions live without decent shelter or medical care.

That great American architect of ideas, Thomas Jefferson, noted that all men have the right to life, liberty and the pursuit of happiness. More than a third of the human beings in this world at this very moment are vitally concerned with maintaining just what is encompassed in the first word of that list, life.

In our democracy, we are dedicated to just one thing—the people and their pursuit of happiness. Our interest and concern for people does not stop at our national borders, but it goes wherever the idea of human liberty beats in the hearts of men.

We can whip communism over most of the world simply by practicing the democracy we preach—simply by taking a genuine concern in helping unfortunate people of the world to help themselves.

If as a people we really care, if we go to the bother and expense of furnishing less fortunate peoples the guidance, the technical assistance, the food, the medicine, the support to help them have a decent life, communism cannot win.

Democracy must first give the people of the world the greatest freedoms of all—freedom from hunger, disease, poverty, and ignorance. These are vital milestones on the road to the goal of the democratic nation—permanent peace and prosperity for all people.

Mr. President, Dr. Frank Laubach, a missionary and scholar, has been a leader in the fight against illiteracy, and, through his work to provide the world's peoples with more knowledge on how to help themselves, he has greatly furthered the fight against the evils which plague mankind. Dr. Laubach discussed this fight recently in a very eloquent speech at Waco, Tex. I request unanimous consent to have printed in the RECORD an article from the Texas Observer of April 11, 1959, which gives excerpts from Dr. Laubach's speech under the heading: "We Can Save The World, If We Try."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE CAN SAVE THE WORLD, IF WE TRY

(The Observer herewith excerpts the remarkable extemporaneous address delivered by Dr. Frank Laubach as a climax of the first annual Texas Conference on Illiteracy, held on the Baylor University campus in Waco April 3-4. Delivered with ringing passion by a man who, after 30 years as a Protestant

¹ *Goodwin v. State Tax Commision*, 1 N.Y. 2d 680 (1956), appeal dismissed, 352 U.S. 805.

missionary, author, and educator ranks as the world's greatest authority on literacy, the speech evoked from Baylor President Dr. W. R. White the response, "I have not been stimulated so in 25 years * * * it has made me ashamed of my colleagues, my country and my life * * * we need to get this before all the students * * * they are the most idealistic * * * the possibilities are staggering."—Editor.)

Those who have seen * * * illiterates change from defeat to a new attitude for themselves and a new vision for their children * * * know why we need a roundup of illiterates in Texas. But it has a wider significance than Texas itself. Dedicated its vast wealth, courage, and vigor, Texas can become a springboard for a drive on illiteracy down through Latin America * * * for the fight against illiteracy, want and poverty which is the very core of the trouble we're in the world today.

In the free world today, only the people who don't know the facts are free from worry. Under communism is a deep underlying evil. Just as pneumonia is preceded by a common cold, the evil of communism is preceded by something and that something is hunger. There are millions of people in the world today who are obsessed with one question, where can I get something to eat today. There is frustration and hatred of those who are the haves * * * these cause communism. Wherever you find communism breeding today, study the situation and you'll find the evil there, underlying it—hunger, despair, desperation.

And hunger is the result of illiteracy. Hunger befalls people who can't cope with disease which ruins their crops and kills their animals. They don't know scientific farming, they can't plow, they use wretched seeds, they wreck the land and don't know how to use fertilizer. In many of these countries, a small 10 percent of the population mints the money and they keep it. They make the laws to suit themselves. Underneath, the have-nots—they don't have anything. These 9 out of every 10 are illiterates, these 9 out of 10 are desperately hungry.

Another reason for the increasing hunger in the world is the success of preventive medicine, carried abroad by missionary doctors in the last 50 years. Few people realize that one of every five of our missionaries was a doctor or nurse. They have done a wonderful job, stopped one of the greatest scourges the world has ever known, cholera. Why was Africa sparsely settled? Because everybody, animals and men, died of sleeping sickness. But we did not keep the food supply up with the rising population. We didn't teach people how to farm. In the days before we lost China, only 1 out of 1,000 in China was an agricultural missionary. But again before you can end hunger, before you can teach him how to farm, you first must make him literate.

THIS HUGE GAP

Those gospels that we take around the world are full of dynamite. Missionaries are conservative as a rule, but those gospels are not conservative. "I came that you might have a more abundant life." Everything in the New Testament is hope. * * * But the trouble with the world today is we're getting richer while they're getting hungrier. They're seen us, our cars, clothes, the way we live in the hotels in their country—they're just second-rate hotels to us but they're palaces to them—and now they want to be more like us, to have the things we have. And they have a grim determination.

This huge gap * * * broke out in Russia and in China and it turned out to be communism. It broke out because people are hungry. In case nobody's heard of it, I'll tell you what communism is to these people, how it's sold to them. People who have are

stealing from those who don't * * * we liquidated them in Russia. When you're hungry, that is a powerful message. China went Communist because she was hungry.

These people know it better than you and I do—the reason they're hungry is because they can't read. They know that and they're crazy to read. In many of these countries, our State Department must go through endless red tape just to get one emissary cleared for entry. But if we write * * * India or Castro or the others involved in illiteracy and ask if they want help in literacy, they always write back, "Yes, we really want your help." The doors are wide open to us, the Government is open to us, the masses are open to us.

The President now has his Food for Peace program. It is all right, it is a stopgap, it gets rid of our surpluses, it will help them, yet I can see the danger of it. It might make paupers out of these people. They don't want to be paupers. They have pride. It might make me feel good to patronize you, but it'd make you feel awful to be humiliated. So are they. The one thing these people, these little people, have is their pride and when they have to accept charity, they just plain don't like it. They have to do it, or starve, but they don't like it.

WHAT THEY WANT

What they want is to know how. What they want is to be able to do it for themselves. What they want is not charity but a chance. What they want is not a coin in the hand but a tool in the hand.

So let's help them, if that's what they want, and the place to begin is literacy. And this is the first literacy conference held in the United States. I wish I could say there had been more but there hasn't, this is the first one, and small though it relatively is to the size of Texas, it is enormously important.

There is a much greater crowd here than we see, there are a billion and a half people, there are three out of every five of the human race. They are determined to no longer be hungry, destitute, down there where they are. They are reaching up their hands, their two hands, one over to us and one over to the Communists.

You say to them "Be careful, those Communists will make slaves of you." They laugh at you. They say, "We're at the bottom now. We never were free. What is this stuff you talk about in America, this freedom? What does it mean? We're hungry. We know what that means."

If we don't help them we lose them * * * a billion and a half people. That vast army that is now determined not to stay down, you can't tell them the Communists are lying. You can't tell them to lie still, because they won't, they will hate you for it.

They are coming up as our friends, if we help them up. If we don't help them up, they are going to come up as Communists and destroy us. If they are your friends, they'll lift this world, along with you, to a new high, and if they are your enemies they may drag the world on their heads, like Samson did, like Hitler did. They'll help destroy us in the process.

That's way this is an important night tonight, far more important than even this great State of Texas. It is an important evening for all mankind. The trouble is our country does not know what I've been telling you. It is very easy to save the world if we undertake it. I was hoping point four would do it, I was glad for what it has done, but I now know it's not enough. And the people in Washington know it perfectly well too. In addition to what the Government has done—so often for selfish reasons, driving shrewd Yankee bargains—we've got to do a deed of compassion, not because we want to help ourselves, but because it's the Christian thing to do, because we ought to have

done it long ago, because this thing the Communists want to do, threaten to do, to the world has touched our consciences * * * We were lopsided in our philanthropies * * * well meaning though we were, and we have neglected these poor people.

They've got to have first literacy; then the books that tell them how to help themselves out of their misery. It's a huge problem. Just this week, I talked to the Ford Foundation about money. You know what they answered? "We've studied that problem, it's too big, we don't have the money to do it and so we're not going to touch it unless we can succeed."

I went to the Rockefeller Foundation, and they said the same thing, "too big for us." I talked to Stanley Kresge, head of the Kresge Foundation, they have about \$75 million, and he said, "It's far too big for us." It's too big for government, too big for business, too big for the philanthropies, so nobody is doing it. We are losing the world on the front of literacy and education.

We are holding our own, maybe, on the economic front, but we're losing on the educational front because we haven't yet seen that we have to do that. I for one don't want to spend my money, pour it down a rathole, \$40 billion for the military, \$3 billion for technical and economic aid, and then lose the world. That's what we are doing.

IS CHRIST PLEASED

So I want to propose tonight one more thing that we've got to do. We've got to mobilize. If in each church, 100 people would form an army of compassion, \$1 a week—that would be \$5,200 a year and then I'll tell our mission board secretary we want you to send a literacy expert or a journalist who will write the things those people need to help themselves, and an agricultural expert, those are the three main things.

I believe our country is overripe * * * for such an effort. Our people are in a state of frustration and disgust; we don't like to be hated * * * but we don't know what to do. We are ready for the greatest deed of compassion the world ever saw. We reach out there, help those hungry, desperate people up and then Christ will smile. You think your Christ is very pleased with America when America places \$21 in church overhead, for her own church expenses, then sends \$1 abroad to help save the world? If we asked Christ first do you think he would say put \$21 in stained glass windows and in a tower and then send a dollar abroad? The Christ who said, "I am hungry and thirsty and naked and sick and a stranger and you help me when you help them." That's Christianity. The 250,000 churches in America * * * could send an average of one person each abroad * * * and the secular institutions, the PTA, women's clubs, colleges, Rotary * * * could send 250,000 more.

History is going over the Niagara rapidly. I also know America is going to change it. We want a change and we know now we have to do it ourselves Government doing all it will, business doing all it will, philanthropies doing all it will and then the church can send the army that has the love to Christ to teach them to help themselves.

Some of them are good, some of them are bad, but all are frightened. That is why this meeting tonight is not just a nice little thing we are doing. It is a part—true not a very big part yet—but big in potential.

I am telling you the vision that has got me burning up * * * and then this could be one of the most important meetings ever held in Texas because of what happened afterward.

Mr. YARBOROUGH. Mr. President, we have some very expensive programs of military aid. In addition, we have a category with which the American public is not very familiar, called economic

aid in support of military aid. We have the military aid to the foreign countries, economic aid to the foreign countries, the point 4 aid, and in addition the catch-all economic aid in support of military aid. It seems to me the Senate might well look into the waste of American money.

The project to which I have referred is a project sponsored by Dr. Frank Laubach of Baylor University. The purpose is to raise the literacy level of the American people and of people around the world, and it is one which is not a waste of money.

A survey has been conducted in my State, the results of which show that when we consider the real literacy—not merely the ability of a man to sign his name, but rather the ability to read an article and comprehend what is in the article—there are some 800,000 illiterate people in the State, and we are not below the American average in Texas.

Around the world many people are discontented because of their fear of the vague unknown. They do not know how to read or how to understand. This is a great project to teach people how to read and write. It is the most inexpensive of all forms of foreign aid. Its purpose is to give people the use of the written word. The program will have as great an impact upon hundreds of millions of people around the world as did the invention of printing centuries ago in Europe. It is like the invention of movable type. Our people have had the benefit of movable type. Very few people have utilized it.

Prussia was the first country to begin to practice mass education of its people when, under the leadership of an enlightened despot, Frederick the Great, education was made a project of the state. We are the second nation to make an effort to mass educate its people.

The movement started first in the Massachusetts Bay Colony, at the town level. Until the time of the Revolution it was not considered a problem of the entire colony. But in the South individual plantations operated an educational system. In the mid-Atlantic States there was in operation a system of church education, township education, and individual effort. It is sometimes called "no" system, but is really a combination system, using the three different means then known for support of the education of the youth.

Under the leadership of Thomas Jefferson and other Revolutionary leaders, the problem of education began to be recognized as a governmental problem about the time of the Revolution. Even before 1800, North Carolina and one or two other States had established State-supported institutions of higher learning. Massachusetts again led the way with some State support for public schools.

I remember as a boy that when the States began to devote State money to the support of public schools, it was said that that was socialism. It was said, "The States will take away our schools from the towns and cities if we vote State money for the support of schools."

Over the United States it is recognized that we could not have a strong public school system without State support by individual States, and the stimulus of the growth of movements for mass education of all the people.

We are met with terrific competition from abroad. For a long time we led the way in mass education. Our aim was the education of every American boy and girl. Now other countries are proceeding on the basis of the method first devised by Frederick the Great, making mass education a State project.

In Russia it is decreed how long a person shall go to school. The type of work he shall do is based upon mandatory selection, once he is graduated. There are weaknesses in that system, which cannot approach the democratic system, provided we put sinews in our school system and show that we really mean to have a first-class school system, which we do not have in many States. We should put money enough into the system to make it a first-class school system.

The purpose of the program of teaching adults how to read is to make up for deficiencies in the school system in the past generation. A simple method of teaching people to read can be operated at small cost around the world. In my opinion, that is the most important form of foreign aid in which we could engage. We should teach those people to read.

I am very proud that this movement began in my home State. The survey was made there. Techniques are being developed. There are three or four centers. I shall not take the time of the Senate to narrate in detail the educational methods, but they are new, although the ideal is as old as the Old Testament. The prophet Micah said that without vision the people perish. We must have vision. Merely voting to appropriate \$4 billion will not win the uncommitted world for democracy. There must be leadership in spirit and in deed. We must give the peoples of the world the benefit of the printed word. We must give them the benefit of the things our ancestors had handed to them four centuries ago in Europe. We must inspire those people with confidence in us, and convince them that we want them to better their way of life. We should be willing to give them books and newspapers to read while we are sending other forms of aid. This form of aid is the inexpensive type.

Mr. McNAMARA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMPLOYMENT OF ADDITIONAL INTERNAL REVENUE AGENTS

Mr. CLARK. Mr. President, during the course of the year I have had occasion many times to call the attention

of the Senate to the possibility of balancing the budget through the closing of tax loopholes. One of the greatest tax loopholes exists because income tax returns are not adequately and properly audited. That is because of the fact, in turn, that there are at the moment approximately 3,000 fewer Internal Revenue agents auditing income tax returns than were engaged in that work at the end of 1952.

Tax chiseling is a problem which I believe Congress must face and solve. If we do so, we will provide one of the best ways of bringing into the Treasury the additional revenue necessary to balance the budget at a higher figure than that recommended by the President of the United States. A very interesting article entitled "The Gentle Art of Tax Avoidance" was published in the April 16 issue of the Reporter magazine. I ask unanimous consent that the article be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE GENTLE ART OF TAX AVOIDANCE (By John L. Hess)

"I don't feel as though the Government is entitled to anything," said the \$25,000-a-year call girl on the Ed Murrow broadcast, "because these men are all legitimate businessmen. They deduct you at the end of the year."

The young lady was of course in error about her tax liability. The Government has no scruples against getting its share of any earned income, including the wages of sin. To be sure, the Supreme Court has ruled that an embezzler is not required to pay a tax on his take because the money isn't really his after all. But an extortionist, it held later, may not make the same defense, nor may a taker of bribes. They've got to pay because, in a manner of speaking, they earned the money. The payer of a bribe, on the other hand, may not deduct it lawfully as a business expense. But the Wall Street Journal has advised in its tax column that corporations can get around that in foreign operations by setting up subsidiaries to handle the payoffs. Recently, moreover, the deduction of kickbacks has been allowed in certain fields where they are regarded as normal business practice. For the distinction between normal and abnormal practices, see your tax lawyer.

The quirks of tax morality would be more amusing but for the fact that taxes of all sorts now take roughly a quarter of the gross national product and are a palpable burden to every citizen. Even so, many State and local governments, not to mention the Federal Government itself, are floundering in budgetary crises. The taxpayer can afford to pay more, one may argue; indeed he must if the Nation is to meet its pressing needs. And yet last November he rejected one-third of the borrowings proposed for local school construction and other projects, and much of the remainder barely squeezed through. The breadwinner-taxpayer-voter is obviously dragging his feet. Of course people have been trying to get out of paying taxes ever since there were any, but something more than a simple reluctance to part with cash is involved in the present difficulties. Resentment at the inequities of the tax burden and contempt for the hypocrisy of the tax laws have become a serious national issue.

EVASION AND AVOIDANCE

That call girl who was unwilling to report her income has at least one thing in common with millions of other citizens who are

rewarded for their services on an individual basis rather than by salary: the Government cannot tax her earnings at the source. The National Bureau of Economic Research has estimated conservatively that 30 percent of the income of private entrepreneurs—doctors, gamblers, lawyers, call girls, butchers, con men, farmers, and freelance writers—is not reported to Uncle Sam. The same applies to 61 percent of interest paid on savings and 13 percent of dividends. But not more than 5 percent of salaries go unreported. Over the years, there have been proposals that income taxes be deducted from interest and dividends at the source, as they are on wages. But the suggestions have never gotten anywhere.

A certified public accountant helping a newspaperman friend prepare his tax return not long ago shook his head pityingly and said, "You chumps on salaries pay all the taxes." He did not mean to imply that the very rich lie in reporting their incomes, their returns are scrutinized too closely for that. But while, in the curious semantics of the tax specialist, the rich do not often evade taxes, they are able to avoid them to a degree only dimly realized by the general public. (Tax evasion, according to the latest practitioners' guide, is doing something that, if you get caught, will mean a fine or jail. Tax avoidance at worst comes to an honest disagreement with the Revenue Commissioner; if you lose, you just pay up what you owe, plus interest.)

In 1929, taxpayers with reported incomes above \$100,000 paid two-thirds of total Federal income-tax revenues; in 1956, they paid roughly one-twentieth. For persons earning less than \$10,000 the change has been just the reverse; in 1929, they paid less than one-twentieth of the income-tax revenues; in 1956 they paid two-thirds. Nearly five-sixths of the income tax now is levied upon the lowest, or 20 percent, bracket.

It should be emphasized that this extraordinary shift in the tax burden reflects the enormous rise in Government spending and in the numbers and prosperity of people within the below-\$10,000 group. But in some measure it also reflects the increasing ability of the upper brackets to avoid taxes, coupled with the inability of the salary earners to evade them since the enactment in 1943 of the law establishing the withholding of 18 percent of taxable income from wages.

Much has been said about confiscatory taxes, and indeed the 91 percent bite listed at the bottom of the tax table is confiscatory. But nobody actually pays 91 percent of income. Fortune magazine has noted that in 1956 the Treasury took only about 37 percent of full incomes above \$200,000, where they theoretically enter the 91 percent bracket. "The high-bracket tax situation," Fortune goes on, "has been likened to 'dipping deeply into great incomes with a sieve.' One sophisticated finance officer of a large corporation says he is amazed to hear that anyone pays more than 60 percent of his total income; that anyone who does must do so 'just out of forgetfulness.'"

Of course, a few corporations pay high executives salaries that reach far up into the 91 percent bracket—notably Bethlehem Steel and, in palmer days, the movie industry. But these must be considered harmless status symbols. The real compensation for executives these days lies in such tax-favored income as the expense account, deferred payment plans, pensions, and options to buy company stock at less than the market price.

This last practice has developed a mythology that is accepted chiefly by financial writers and stock-exchange pamphleteers. Stock options are desirable, it is held, to nourish the loyalty of executives. Unfortunately, the reports required by the Securities and Exchange Commission on stock dealings of insiders give the impression that many

beneficiaries lose no time in selling the shares thus acquired. A naive RCA stockholder once asked why Chairman David Sarnoff and President Frank Folsom had sold stock granted them under option, at a profit of more than half a million dollars, after holding the shares only the 6 months required to qualify for a long-term capital gain. Sarnoff explained that they had borrowed the money to buy the stock, and had to sell the stock to repay the loan.

Actually, in seeking income other than salary the executive is merely following the curious moral precepts of our tax system, which hold the earnings of work to be inferior to all other sources of income. A married man who makes \$10,000 a year on a salaried job has to pay a higher tax than one who stays at home and collects an equal income in dividends and just as much as one who dabbles in real estate or other speculation and clears \$20,000 of long-term capital gains. (In fact, the investor and the speculator have many more opportunities to claim business expenses and other legitimate deductions, and almost certainly would pay considerably less.) Furthermore, there is a premium for the man who speculates with other people's money, for he can deduct the interest paid on debt.

THE SWINDLE SHEET

Probably no aspect of our tax mores has received more attention in recent years than the expense account. In the Yale Law Journal last July, V. Henry Rothschild and Rudolf Sobernheim wrote that expense-account spending might be conservatively estimated at \$5 billion a year, resulting to a tax loss to the Treasury of from \$1 to \$2 billion. Regarding the loose use of this money, they commented: "The Treasury is keenly aware of the problem, but its efforts at regulation have met with stubborn resistance, both from the luxury services sustained by the expense account and from the individuals who find the account essential to their accustomed standard of living." Last year the Treasury went so far as to order taxpayers to account for expenses in detail, but it beat an ignominious retreat under a storm of protest.

While the expense account gives many a salesman and junior executive a taste of the high life, it should not be concluded that it has an equalitarian effect. "A physician undoubtedly would be questioned if he chartered a plane for his trip to the A.M.A. convention and used a \$300-a-day executive suite at a luxury hotel," U.S. News & World Report has observed. "But the tax agents usually don't bat an eye when a big executive spends on that scale."

Speaking of conventions, it is a poor trade group these days that does not charter a cruise ship to the Caribbean for its annual business meeting. The J. I. Case Co. last winter flew all of its dealers and their wives to the Bahamas to look at its tractors, made in Milwaukee. A doctor with any ingenuity now arranges his European vacation to coincide with a medical meeting.

Many companies award mass vacation trips to their dealers as prizes (cash rebates would be taxable), although more than one dealer has said he would rather take the cash and pay the tax. One, quoted in the Wall Street Journal, grumbled, "Who wants to spend his vacation with a lot of appliance dealers?"

Given the choice between a \$10 lunch and a \$10 bill, many salesmen would take the money and eat at the Automat—indeed, there is some suspicion that some do just that. But, legally, the expense account does not permit such freedom. It has been observed that it gives the beneficiary a split-level existence: filet mignon on business and hamburger at home. Like other elements of the tax structure, it distorts the way of life of even those who get away with the most.

In one respect, at least, the expense account appears to have elevated our moral standards: a British observer has noted that a businessman used to take his secretary on a trip and say she was his wife; now, he takes his wife and says she is his secretary.

To its defenders, the expense account is a useful way of giving executives a standard of living they otherwise could not achieve under our tax structure. The difficulty here is that the tax benefits are limited rather capriciously to top executives, salesmen, entrepreneurs, and staff members of the advertising, TV, and public-relations fields. The great majority of citizens, who never see the inside of a posh club or sit down front at a hit musical, may feel that they are being discriminated against.

In any case, the thing is clearly getting out of hand when a court will rule, as in one case celebrated among tax practitioners, that the head of a dairy company and his wife might deduct the \$17,000 cost of a safari to Africa because of the publicity value to the business. The Yale Law Journal article cited above recommended that misuse of the business-expense deduction be made subject to a cash penalty. But this would hardly stem the tide without a redefinition of misuse.

A straightforward, drastic attack on the disease would be to bar all deductions for entertainment. It also would rule out club dues, town apartments, yachts, hunting lodges, executive dining rooms, and the private use of company cars, with or without chauffeurs. It would limit expenses on the road to a fixed per diem scale, such as some old-fashioned companies still impose on their lower employees. Any luxuries whatever would be considered compensation, and taxable. The increase in revenues would then be applied to reducing tax rates.

The suggestion is offered here without optimism. For one thing, its enactment into law would hit all Congressmen in the pocketbook. For another, it would get the hotel, resort, and entertainment industries up in arms, as did even the Treasury's feeble effort at a checkup last year. (Is it really necessary for the U.S. Treasury to subsidize the Stork Club?) Further, it would seem to threaten the standard of living of hundreds of thousands of businessmen, executives, and salesmen. Doubtless if they had to spend their own money they would not make quite the same splash. But they might drink less and actually live better with lower tax rates and more control over their own money. And outlawing swindle sheets might do wonders for their immortal souls.

BREAD UPON THE WATERS

The erosion of public morality by the tax system is perhaps nowhere more apparent than in the area of charity. Jesus said, "It is more blessed to give than to receive"; nowadays hardly any appeal for a worthy cause fails to add, "and it is tax-deductible, too." More and more, wealthy people are learning that it often actually pays to give.

Let us take a gentleman in the 60 percent tax bracket, who 5 years ago picked up a nice little painting in Paris for \$10,000. Today it is worth \$20,000. If he were to die owning it, his estate would have to pay an inheritance tax. So he gives the painting to a museum, and deducts the full \$20,000 value from his current income. Or he can give the picture in annual installments, according to his tax needs. (A Solomon must have thought that one up.) Or he may deduct one-third of a painting's value by arranging to let a museum have it for 4 months of the year, thus perhaps saving storage and insurance costs while he is away during the summer, and keep it right up on his own wall the rest of the year. Who said you can't eat your cake and have it too?

Similarly, one may give stocks or bonds to a charitable organization or school, deducting a substantial amount from present income but retaining the interest or dividends on the securities for life—and for the lifetime of an heir as well. The Research Institute of America, commending this device to upper-bracket clients, remarks that in this way they may not only increase their after-tax income but also obtain the immediate personal satisfaction and community respect that comes with a present rather than a post-mortem gift.

A number of colleges and church groups have banded together to promote a give-us-the-securities-you-keep-the-income campaign. There is a kind of admirable far-sightedness and selflessness about this business of raiding the Treasury today for benefits that only future generations will be able to enjoy. It compensates a little for the national debt that we are leaving to those generations.

Whatever it signifies about human nature, the tax code clearly has been a windfall for philanthropy. According to a study published last month, donations to colleges alone soared from \$50 million in the 1943-44 school year to \$111 million in 1957-58. Foundations have proliferated like rabbits, and for many of them the chief preoccupation has been how to get rid of money. Organizations have sprung up to combat various diseases (and in at least one case, two organizations are bitterly contesting the same disease and each other). Museums large and small, all over the country, have been enjoying a stream of gifts of works they could never before even dream of owning.

In donating contemporary art, the philanthropist may easily contrive to clear more money than the artist. Recently, the revenue men have been ungraciously demanding evidence of a market value for the gift, but appraisals are still bound to be on the generous side. A whisper is heard of one big taxpayer who made a package deal in a casual conversation over a dinner table. He bought \$30,000 worth of art, which was donated to a string of small museums at a valuation upward of \$70,000, which he deducted from income at a substantial profit. He never saw the pictures, but he may drop in on one or another museum sometime with a friend to admire his gift and the plaque acknowledging it. No museum has ever listed the Treasury as a codonor.

On the contrary, many institutions have lost all inhibitions about raiding the Government till. A number of charities, for example, employ a direct tax appeal to collect used clothing, cars, furniture, and junk of all kinds, which they sell, well aware that the deduction for tax purposes is far greater than the money they actually receive. One New York clothing chain, noted for its sincere-type advertising, invites taxpayers to turn in their old dinner jackets. The store provides, without charge, a signed appraisal for tax purposes, gives the clothing to charity, and stands quietly available if the taxpayer wants to buy new evening clothes.

The director of a great missionary organization, which ships a great deal of used clothing overseas (though presumably not dinner jackets), was asked the other day how tax avoidance squared with religion. "We are quite sensitive to the problem," he replied. "We live with it every day. And at the end of the year, we get that flood of contributions with carefully worded letters," the accountants having told their clients how much to give to the Lord. He had no proposal for a solution.

A national spokesman for a leading Protestant denomination defended the deduction as a perfectly legitimate decision of society to divert up to 30 percent of income to charity, education, and religion, thus preserving privately directed social activities in the era of the welfare state. (To be sure, those

who do not choose to give must assume part of the tax burden of those who do give.) But he was concerned about quite another aspect—the exemption of churches themselves from income, property, and business taxes on nonreligious ventures. A worldly member of his board of trustees, being apprised of this exemption recently, said, "Why, if I had known that a few years ago, we would own the oil industry now." But the churchmen did not want to own the oil industry. Rich men die and leave much of their wealth to churches, he pointed out, "but churches never die—ultimately, they could own everything." Before that happened, he could foresee state intervention.

EVERYBODY'S DOING IT

The social acceptability of raiding the Treasury is demonstrated by a common gimmick in the field of so-called municipal bonds. The billions of interest paid each year by State and local governments are exempt from income tax for the bondholder. This generous (not to say incomprehensible) treatment is accorded by the Federal Government to make it easier and cheaper for the localities to borrow. In gratitude, they frequently conspire with the bond marketers to do the Treasury out of even more tax income.

Thus, a part of the bond issue will carry an abnormally high interest rate, which is offset by a price above the face value of the bond. Now the bond house, or a favored customer who buys such a bond, will report a deductible loss when it comes due, since the face value is less than the price paid for it. Actually, the holder will have received an exorbitant interest payment, entirely exempt from the Federal income tax. The loss is quite fictitious but entirely legal.

The Treasury tried to narrow this loophole by denying the "loss" to dealers who held the bonds themselves for more than a month. But how could it stop a dealer from selling a packet of bonds to another dealer, who might sell him a similar packet?

It would obviously be cheaper as well as more honest for Congress to subsidize directly any activity it wants to help, but it has always found it easier to grant tax exemptions. Exemptions are noticed chiefly by those who take advantage of them; subsidies show up in appropriations. The budget debate rages about deficit spending, never about deficit taxation. Has anybody asked why income tax revenues have failed to grow as fast as income?

The answer is that every time Congress is persuaded to block one unintended loophole, it opens three or four more in order to eliminate inequities—or give someone a tax break. Last year, for example, Congress spurned all efforts to lower taxes as an anti-recession measure. Yet Congress also voted a special and rapid depreciation provision for small business that removed huge amounts of income from the tax rolls, eased the deduction of present losses from past years' profits, increased the tax-exempt reserves that corporations may set aside from earnings, made easier the formation of collapsible corporations—a form of alchemy that turns income into capital gains—and approved the formation of new private investment companies that will get both Government subsidies and tax exemptions. And that was a relatively inactive year in the matter of exemptions.

One might suppose that tax practitioners would be the last to object to a system of such wild complexity that the courts themselves are perpetually engaged in wrangles over what it means and a deduction is frequently legal in one judicial district and outlawed in others. But J. S. Seidman, delivering a committee report of the American Institute of CPA's back in 1956, denounced all 1,000 pages of the Federal Tax Code as a crazy quilt of exceptions, exemptions, deductions, and special provisions,

many so abstruse that the legislators who adopt them seldom know what they're about.

If 100 special provisions in the code were eliminated, Seidman figured, tax rates could be cut by one-third. The brackets then would run from 13 to 61 percent, instead of from 20 to 91 percent.

One thing virtually all the special provisions have in common is that however reasonable or meritorious they may seem, they help the upper-bracket taxpayer most and do little or nothing for the low-income group. Take the case of the joint return: a man earning a net taxable income of \$4,000 saves \$40, while one earning \$200,000 saves \$22,180. And then there is the exemption for interest paid on debt. Here the tax code appears to be saying that only fools pay cash. It favors the mortgagee as against the tenant or the man so old-fashioned as to own his home outright. And people in the upper brackets have found it profitable to borrow money to buy insurance and annuities, the tax deductions on the interest paying much of the cost of the premiums. In effect, Uncle Sam pays their insurance bills.

PITY THE POOR WILDCATTER

The most notorious of the loopholes deliberately created by Congress is the oil-depletion allowance. All business is, of course, permitted to deduct from income the depreciation, or using up, of its assets; in the mineral field this is called depletion. The allowance varies among minerals (even oyster shells are now eligible), but an oil producer may subtract 27.5 percent of his gross income. A well may easily repay its investment within a couple of years, but the allowance goes on as long as it yields oil, which may be for a generation or two. An indication of the sums involved was contained in the report by the Venezuelan Government that its oil industry, largely U.S.-owned, cleared a net income after taxes of \$829,500,000 in 1957, a return of 32.5 percent on its investment in a single year.

Practically nobody, even in the financial journals, defends the 27.5 percent depletion rate—except, of course, the oil men themselves. Like so many other advocates of more or less noble causes, they raise the banner of national defense. Only a generous incentive, they argue, will keep the thousands of independent little wildcatters drilling and thus maintain the Nation's oil industry in a posture of readiness. Yet of the \$2 billion of depletion claimed in 1953, J. S. Seidman reported, companies with more than \$100 million of assets accounted for 63 percent. Companies with less than \$100,000 accounted for 4 percent.

Over the years, many a Congressman seeking to strengthen the Government revenues has wistfully eyed the depletion loss. But with both Houses firmly guided by Texans, the fund raisers have been obliged to look elsewhere. On this rock have foundered all proposals for tax relief for lower incomes. The Wall Street Journal once reported that Speaker SAM RAYBURN had been asked how he reconciled his opposition to a tax cut with the Democratic Party platform, which had promised to raise the personal exemption from \$600 to \$800. Mr. RAYBURN frowned, then chuckled and replied: "I didn't write all that platform myself."

Congress has given to all business a little of the same treatment it has accorded the oil industry by speeding up the period of depreciation. Here as in so many cases, the taxpayer and tax collector play a game of let's pretend. They pretend that a plant, machine, or apartment house wears out in, say 5 or 8 or 20 years, when actually it has a useful life of 15, 20, or 50 years. Each year the owner deducts the fictitious rate of depreciation from income. In theory this merely postpones taxes, since when the item is fully depreciated the deductions halt. But meanwhile the Government loses the

use of the tax money, and must borrow it elsewhere. During and after the Korean war, the privilege of unusually rapid write-offs was extended to roughly \$35 billion of investments, some of them connected with defense only by the exercise of a supple imagination. It is estimated that the Treasury lost \$3 to \$5 billion on this program just in the interest it paid on the money it had to borrow.

But that is by no means the whole story. Once an investment is fully depreciated, it may be sold—frequently, in these inflationary times, at a higher price than was originally paid for it. The original owner then pays, at maximum, a 25 percent capital-gains tax on the profit. The second owner begins to depreciate his purchase all over again—at a higher cost basis. The miracle of the loaves and fishes has been brought up to date.

Years ago some clever chap figured out another amiable fiction that has bled the Treasury out of billions. His client, let us assume, sold turpentine from a large storage tank, which he replenished from time to time. Prices had been rising for years and seemed destined to rise indefinitely. The tax adviser thought it would be helpful, tax-wise, if every time his client sold turpentine the very last batch he had bought—and therefore the costliest—happened to come out of the spigot. The profit on the sale thus would be smaller.

This, said a professor later in the *Journal of Accountancy*, is "an assault on common sense." Physically, it couldn't be done. But in tax accounting, it was done. "My client has some of the oldest turpentine in Georgia," an accountant once told me.

This method of inventory accounting is called LIFO (last in, first out), to distinguish it from FIFO (first in, first out). One oil company told its stockholders that it saved \$12 million the year it switched from FIFO to LIFO.

It was a great day in retailing when department stores won the right to apply LIFO to their inventories—preposterous as it may be to assume that stores are keeping goods for years when actually they try to turn over their stocks a dozen times a year. R. H. Macy & Co. even tried to apply LIFO retroactively, and persuaded one court to go along, but lost on an appeal by the Government. Had it won, it is estimated that the department-store industry would have collected a billion dollars in tax refunds.

There is a theoretical drawback to LIFO. If a decline in prices were to set in, LIFO would increase taxable profits rather than decrease them. But in that event, there might not be any profits to pay taxes on anyway, and furthermore, there is little doubt that the Treasury or Congress would permit the taxpayer to switch back to FIFO.

NOW YOU SEE IT

Where taxes are concerned, said Judge Learned Hand in a famous opinion, if it is legal it is not immoral. In fact, the aim of most avoidance devices and tax-relief measures is to conceal the honest origin of funds—that is, to pretend that the taxpayer did not get the money for services rendered. Thus the film star forms a corporation and pretends to be a speculator rather than an actor. An honest profit, like an honest wage, is penalized under the law; hence it must be postponed, renamed, turned into a capital gain, or made to vanish entirely. These goals may be achieved in a number of ways, of which the following are no more than a small sampling:

1. A company or individual may set up a corporation in a tax-free haven abroad, which may keep its profits from exports and other foreign operations intact until the firm is liquidated and the profits brought home as capital gains. A Wall Street Journal reporter recently encountered subsidi-

aries of many such taxpayers as U.S. Steel and Bethlehem in the sunny Bahamas. Most of them were close-mouthed about what they were doing there.

Within certain limits, one can also organize a separate corporation for each aspect of a business operation, each corporation paying the reduced rate on the first \$25,000 of income. Some of the profits may be carried over as reserves until liquidation, when they become capital gains.

2. One may give stock to members of one's family and set up multiple trusts to get out of the high brackets, both in this life and in the hereafter. Through various means, a business may be made to support one's poor relations without the money ever passing through the donor's hands and thus being taxed.

3. As Sylvia Porter advised recently in the *New York Post*: "Make sure to investigate the possibility of organizing a corporation which elects not to be taxed as a corporation—the so-called pseudo-corporation." Among the many incentives, she points out, is that an owner can become his own employee and set up various fringe benefits, such as pension plans, tax free.

One penalty of doing business under a tax system based on legal fictions is that it becomes difficult to tell what is truth. One company may be reporting a loss and actually be thriving. Another may be reporting a profit but wasting away its assets. Only the expert knows. Keeping two sets of books is no longer evidence of fraud. Some railroads legally keep at least three: one for the ICC and rate proceedings, one for the tax collector, and one for the board of directors to know what's really going on.

What this does to statistics may be imagined. How can one tell whether to buy or sell a stock, whether the money supply should be tightened or eased, whether prices and wages are too low or too high, what the outlook is for sales and for plant investment—in short, what our private and public economic policies should be—if we keep changing the rules to permit the concealment of income from the tax collector? Economic data have far too wide a margin of error to begin with; using them now is like piloting a ship into port at night while somebody keeps shifting the beacons.

In sum, a tax system based on hypocrisy listing unconscionably high levies on upper incomes but actually leaning more and more heavily upon the consumer and salary earner, presents a number of strictly economic problems—as well as the obvious moral ones.

Mr. CLARK. Mr. President, a few days ago 10 other Members of the Senate and I called the attention of the chairman of the subcommittee of the Committee on Appropriations which is dealing with appropriations for the Treasury Department to the desirability of providing a greater number of internal revenue agents to audit Federal income tax returns. Our letter to the chairman, which was made public, resulted in an editorial in the *Philadelphia Evening Bulletin*, entitled "Myopic Economy." I ask unanimous consent that the editorial may appear in the *Record* at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the *Record*, as follows:

MYOPIC ECONOMY

When it's a sure thing that \$1 will get you \$9, it's folly not to invest the \$1.

That is the sense of a letter made public by JOSEPH S. CLARK and 10 other U.S. Senators assailing the action of the House in cutting \$2.5 million from the appropriation requested by the President for the Internal Revenue Service. The effect of the cut is almost to

eliminate plans for expanding the enforcement staff. The 100 new revenue agents wanted could not be hired; other personnel increases would be curtailed.

In this case it doesn't make much sense to applaud the holding down of Federal bureaucracy, for the IRS is the big "money-maker" in the U.S. Government. The Senators point out that during his first year, a new revenue enforcement official is figured to collect \$9 that wouldn't otherwise be turned in for every \$1 spent to employ him. The ratio has been estimated as high as \$20 to \$1.

This is a lot more of a "sure thing" than most. On other tax-collecting levels the experience has been corroborated again and again. California hires new auditors for thousands of dollars and rakes in extra millions in its sales tax. Pennsylvania is comparatively stingy in hiring sales tax enforcers, and Pennsylvania's sales tax leakage keeps it running behind estimates.

The Senators' appeal to have the cut restored is well taken and rates support of all honest taxpayers. It is only the chislers who benefit when IRS enforcement is hampered. Cutting off \$2.5 million and thereby losing \$22.5 million and up isn't economy. It's myopia.

Mr. CLARK. Mr. President, the end result of the two insertions in the *Record* which I have caused to be made is that if the Senate will face the desirability of stopping tax chiseling and stopping tax avoidance, and will provide an adequate number of internal revenue agents for the fiscal year 1960, enormous sums of money will be obtained for the Treasury, which will be of the greatest possible importance in cutting down, if not eliminating, the prospective deficit, and which might, indeed, result in enabling us to make a payment on the national debt.

JOHN FOSTER DULLES

Mr. COOPER. Mr. President, yesterday the people of our country were saddened by the announcement of the President of the United States that the Honorable John Foster Dulles had submitted his resignation as Secretary of State. All of us in the Congress, and peoples throughout this country and the world, hope and fervently pray that his health may be restored.

Mr. Dulles' decision to resign calls to mind his great service to the Nation, and to the cause of freedom. His policies and his decisions were at times the subject of controversy in some quarters of opinion in this and other countries, but that fact does not derogate their soundness and validity. Men of strong convictions and purpose find their views challenged by fleeting and superficial opinion. Mr. Dulles did not create the situations or the difficulty and danger with which he had to deal. Most of the difficult problems, in Europe and in the Pacific area, of which the United States is seized are the unsolved problems of World War II. He did not create the intransigent policies of the Soviet Union but he understood their purpose. It was his firmness in dealing with them, his determination that our country and other free countries should not submit to aggression, and that freedom must survive in the world, which marked in the minds of millions of people in the United States and throughout the world the conviction and principle of his policies.

I had the high privilege of serving with him as a member of the U.S. delegation to the General Assembly of the United Nations in 1950 and 1951. I shall never forget his leadership of the American delegation and, in fact, of the Assembly in 1951, on the fateful issue of the aggression against South Korea by North Korea and Communist China.

After that session he was designated by President Truman to negotiate the peace treaty with Japan, a treaty which has been marked as a model of justice and generosity between victor and vanquished in war.

Again I had the honor to serve under him as Ambassador of the United States to India.

In that position I learned his infinite concern and willingness to hear every point that might be made in the development of association between our country and India.

It has been said, and sometimes critically, that his policies were based upon moral postulates. We should be thankful that this is true. I shall always remember the stand of John Foster Dulles in 1956, at the time of the Suez crisis. He and President Eisenhower took the moral, not difficult position, that the United States could not support the settlement of dispute by force—even of our closest friends. It is one of the magnificent decisions in the history of this country. It was attacked in the Congress. Some of the great leaders of the press were not clear about its meaning at that time. Despite the serious implications of that decision, which was a difficult one for him and for our country, considering our friendship for Britain, France and Israel it was a proper decision, in the light of the moral position of the United States.

The qualities and services of Mr. John Foster Dulles are known to us and to the world. I simply end by saying that his indomitable courage, his selflessness and his intense love and defense of freedom have marked him as a man apart in this generation and, indeed, in the history of our country.

Our country and the free people of the world owe much to Mr. Dulles. We are sad that illness has caused him to lay down his duties, to which he gave full devotion.

Mr. DODD. Mr. President, the tragic news of the worsening illness and the consequent resignation of Secretary Dulles has caused a saddening pause in the Nation and throughout the free world, a pause in which free men ponder his greatness, calculate the cost of his absence, and ask ourselves where we go from here.

For several years Secretary Dulles has been made the principal target for whatever dissatisfaction our free world allies had with the United States. Here at home he has generally been made the butt of any disappointment over world conditions. I recall my own expressions of criticism on particular occasions. But at this hour I am comforted in the knowledge that my criticism never reached—because it was never directed at—his tremendous intellect or his noble heart.

Mr. President, the news of the illness and the resignation of Secretary of State Dulles has brought a realization of his greatness to even his severest critics.

The chief architect of the free world policy of resistance to Communist aggression has stepped down. From the capitals of the world, from the press, from spokesmen of both our political parties, have come a stream of statements that carry the conviction and the sincerity that are so lacking in the ordinary platitudes and perfunctory condolences which are usual at such times.

From London to Ankara, from Stockholm to Bandung, there is solemn recognition that the free world has lost a source of moral strength, of political sagacity, of diplomatic acumen, and of limitless dedication to freedom, that may prove impossible to replace.

For more than 6 years Mr. Dulles has shouldered a burden greater than that which any other American Secretary of State has ever carried. Throughout that period he has been the principal formulator of American policy, as well as the chief negotiator and administrator of that policy.

In an era when other leaders have evaded responsibility, Mr. Dulles has assumed full responsibility, without dodging or flinching.

In an era when, after brief sojourns, other Government officials have seen fit to abandon their posts, to return to the pleasure and profit of private life, Mr. Dulles has enlisted for the duration of his life and his strength.

In an era when public figures have shrunk from criticism and have complained of mistreatment, Mr. Dulles has asked for no immunity, has issued no complaints, has made no apologies.

In an era of petty politics and partisan recriminations, Mr. Dulles has been magnanimous and selfless.

Mr. Dulles' policies were characterized by an insistence upon principle above expediency, by a refusal to barter away freedom anywhere in the world, by a determination to uphold the rights of the United States and of free nations everywhere, by a willingness to face up to the consequences of firmness, and by a confidence in the basic strength of this Nation and in the ultimate triumph of freedom and of the moral law.

In recent months the dawning recognition throughout the free world of his personal stature and of the moral and political soundness of his policies has been a heartening indication that his example will continue to serve us long after his active career has ended.

The genius of our political system is now challenged. To say that the American Government has suffered a staggering loss is merely to say the obvious. What Thomas Jefferson said of Benjamin Franklin can now be said of John Foster Dulles: "He cannot be replaced; he can only be succeeded."

Mr. President, we cannot repair this loss in a week or a month. But we of this Congress and this administration can try to repair the loss by exercising a degree of statesmanship, cooperation, and unity that will assist Mr. Dulles' successor—whoever he may be—to pro-

ceed with a boldness, a vigor, and an objectivity born of confidence in the full backing of a united America.

INTERNATIONAL FOOD FOR PEACE ACT OF 1959

Mr. HUMPHREY. Mr. President, on behalf of the Senator from Colorado [Mr. CARROLL], the Senator from Michigan [Mr. HART], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. McGEE], the Senator from Oklahoma [Mr. MONROE], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from Wisconsin [Mr. PROXMIER], the Senator from New Jersey [Mr. WILLIAMS], and myself, I introduce, for appropriate reference, a bill entitled "Food for Peace Act." It is a bill to promote the foreign policy of the United States and help to build essential world conditions of peace, by the more effective use of United States agricultural commodities for the relief of human hunger, and for promoting economic and social development in less developed countries.

The purpose of the Food for Peace Act is to so amend and revise Public Law 480 as to make it a more effective instrument for using U.S. abundance of food and fiber to help build essential world conditions of peace and freedom and thereby strengthen and promote the foreign policies of the United States. It is intended to enable the United States to promote more effectively the economic and social development of friendly nations and to lead the way in cooperation with other nations toward the abolition of human hunger.

A Peace Food Administration would be established—title VII—in the Executive Office of the President, headed by a Peace Food Administrator, to aid the President in carrying out the purposes of the act and also the purpose of section 402 of the Mutual Security Act of 1954, as amended. There would also be created an Interdepartmental Peace Food Policy Committee to advise and consult with the Peace Food Administrator, and also a Peace Food Advisory Committee consisting of representatives of private U.S. groups and organizations.

The act would authorize:

Title I: A 5-year program of local currency sales of U.S. surplus agricultural commodities at a rate of \$2 billion a year—as compared with \$1½ billion a year under the present Public Law 480;

Title II: Continuation of title II of Public Law 480 to provide emergency assistance, through grants of surplus agricultural commodities, over a period of 5 years at a rate not exceeding \$250 million a year, to friendly peoples in meeting famine or other emergency relief requirements; and grants of such commodities to assist friendly nations in establishing, expanding, or carrying out programs for the relief of chronic hunger and malnutrition;

Title III: Continuation of title III of Public Law 480, with minor changes, which provides for, first, use by Federal

agencies in making payment for commodities not produced in the United States; second, barter of surplus agricultural commodities for strategic or other materials; third, grants to public and private agencies for use in the United States in nonprofit school lunch programs, nonprofit summer camps for children, charitable institutions (including hospitals), and assistance to needy persons; and, fourth, grants to nonprofit voluntary agencies for use in the assistance of needy persons outside the United States;

Title IV: A 10-year program of long-term supply contracts for U.S. surplus agricultural commodities with interest not to exceed 2½ percent per year, payment—in dollars, services, strategic or other materials—to be made over a period of 40 years from the date of the last delivery of commodities under the contracts and interest computed from the date of such last delivery;

Title V: Grants of surplus agricultural commodities over a period of 5 years to help food-deficit countries, under agreements, build up and maintain minimum national food reserves—in accordance with the U.S.-sponsored resolution adopted by the United Nations on February 20, 1957;

Title VI: Negotiation of agreements with friendly countries to establish in such countries binational, nonprofit foundations to foster and promote research, education, health and public welfare, and to grant to such foundations unexpended local currencies which accrue to the United States as repayments of principal or payment of interest on local currency loans heretofore made by the United States under Public Law 480 or made hereafter under the Food for Peace Act.

In addition to the foregoing, the Food for Peace Act would authorize a number of additions to the authorized uses, in addition to those in Public Law 480, for local currencies accruing from sales of surplus agricultural commodities under title I. Of these, five would permit the use of such currencies to buttress and extend social and economic development projects and activities of the United Nations Special Fund, the United Nations Food and Agriculture Organization, the World Health Organization, the International Finance Corporation, and an International Development Loan Association if and when such may be established. Others would permit more effective use of such currencies in promoting international educational exchanges; research, educational development, and health and education; and technical assistance. On loans of local currencies for economic development, the act would specify a maximum interest rate of 2½ percent.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point as a part of my remarks, and that the press release issued by my office be also printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill

and press release will be printed in the RECORD, as requested.

The bill (S. 1711) to promote the foreign policy of the United States and help to build essential world conditions of peace, by the more effective use of U.S. agricultural commodities for the relief of human hunger, and for promoting economic and social development in less developed countries, introduced by Mr. HUMPHREY for himself and other Senators, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 480 of the Eighty-third Congress, as amended, is further amended as follows:

(1) The first section (which provides the short title) is amended to read as follows:

"That this Act may be cited as 'The International Food for Peace Act of 1959.'"

(2) Section 2 (which consists of a statement of policy) is amended to read as follows:

"CONGRESSIONAL FINDINGS AND POLICY"

"SEC. 2. (a) Because of the increased productivity made possible by science and technology, there is now, for the first time in history, no reason in physical scarcity for the continued existence of hunger—anywhere on this earth. It is now possible and practical for mankind to take cooperative steps to abolish human hunger.

"This being so, massive hunger and suffering from want of clothing, existing in the world in the shadow of unused present and potential surpluses of food and fiber, are no longer tolerable, either morally, politically, or economically.

"The Congress, while recognizing the difficult international, political and economic problems that lie between hunger and want of clothing in many parts of the world and food and fiber surpluses in others, declares it to be the policy of the United States to move as rapidly as possible in cooperation with other friendly nations, toward putting its abundance of food and fiber more effectively in the service of human need.

"(b) Peoples who comprise one-third of the human race have in our generation achieved national independence (or are in the process of doing so) and are in revolt against the poverty, ignorance, disease, inferior status, and lack of opportunity which have always been their lot. They are determined to achieve that economic and social development necessary to national dignity and individual well-being. To mobilize their resources with reasonable speed and develop their economies to a point where they are self-propelled and self-sustaining they require substantial outside aid over a considerable period of years. If that aid is adequately forthcoming from the free world, they have a good chance to accomplish their purposes in freedom, remaining a part of the free world and contributing to its strength and well-being. If it is not forthcoming, their alternative is to seek it in the Communist world, and in the process to surrender both personal and national freedom. Deeply aware of and sympathetic with the aspirations of the world's peoples who seek in freedom greater national dignity and individual well-being, the Congress declares it to be the policy of the United States to help them achieve those aspirations. The Congress recognizes that for this purpose a number of different kinds of aid are required, but that among them food and fiber aid is a highly important form and one whose effectiveness can be greatly increased. The Congress declares that the agricultural abundance of the United States is not an

embarrassment but a blessing to be used in the service of mankind, that it should be so used to the maximum extent possible, and that if it is so used it can help build essential conditions of world peace and freedom.

"(c) To achieve those larger purposes, the Congress directs that this Act shall be administered (1) so as to help other countries carry forward their own national or regional plans for development in freedom and independence; (2) so as to support the efforts and programs of the United Nations, its specialized agencies and affiliated organizations, and regional organizations of friendly countries, directed toward the same ends; (3) so as to leave wide latitude in working out details of national agreements and projects to United States Chiefs of Missions in negotiations with the governments concerned; and (4) so as to enlist the cooperation of other countries in putting agricultural surpluses more effectively in the service of human need and the economic and social development of less developed countries.

"(d) It is also declared to be the policy of Congress to expand international trade among the United States and friendly nations, to facilitate the convertibility of currency, to promote the economic stability of American agriculture, and the national welfare, to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States, and to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels, and foreign currencies accepted in payment thereof. It is further the policy to use foreign currencies which accrue to the United States under this Act to expand international trade, to encourage economic development, to purchase strategic materials, to pay United States obligations abroad, to promote collective strength, and to foster in other ways the foreign policy of the United States."

(3) Section 101 (which relates to the negotiation of agreements) is amended by striking out "and" at the end of paragraph (d), by changing the period at the end of paragraph (e) to a semicolon, and by adding at the end of such section the following new paragraphs:

"(f) seek, insofar as possible, to enter into such agreements for periods in excess of one year; and

"(g) give maximum attention to utilizing the authority and funds provided by this Act to further the economic and social development plans of underdeveloped countries."

(4) Section 103(b) (prescribing limit on appropriations) is amended to read as follows:

"(b) Agreements shall not be entered into under this title during the period beginning July 1, 1959, and ending June 30, 1964, which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of \$2,000,000,000 annually, plus any amount by which agreements entered into in prior years have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such prior fiscal years by this Act as in effect during such fiscal years."

(5) Section 103 is further amended by adding at the end thereof the following new subsection:

"(c) In carrying out programs and activities under this title, the President shall, insofar as possible, coordinate such programs and activities with other United States and

international programs and activities directed toward the same end."

(6) Section 104(e) (relating to loans for trade expansion) is amended by striking out "Export-Import Bank for loans mutually agreeable to said bank" and inserting in lieu thereof "United States Development Loan Fund created by title II of chapter II of the Mutual Security Act of 1954, as amended, for loans mutually agreeable to said Fund", and by inserting before the semicolon at the end thereof a colon and the following: "Provided further, That funds which have accrued under this section and which are uncommitted may at the discretion of the President, be placed under the administration of the Development Loan Fund".

(7) Section 104(g) (relating to the promotion of trade and economic development) is amended to read as follows:

"(g) For loans and grants to promote multilateral trade and economic development, made through established banking facilities of the friendly nation from which the foreign currency was obtained or in any other manner which the President may deem to be appropriate. Interest on loans made under this subsection shall be at such rate, not to exceed 2½ per centum per annum, as the President shall determine. Strategic materials, services, or foreign currencies may be accepted in payment of such loans;"

(8) Section 104(h) (relating to international educational exchange activities) is amended by striking out the words "in such amounts as may be specified from time to time in appropriation acts" and by striking out the semicolon at the end thereof and inserting in lieu thereof a period and the following: "Such currencies may also be used for making grants to United States nonprofit organizations and institutions for carrying out such exchange of persons projects under this paragraph between the United States and other countries as may be agreed upon between such organizations and institutions and the Secretary of State, but not such grants shall be made to any organization or institution which does not agree to provide the dollar funds which the Secretary of State deems necessary to carry forward agreed projects to a successful conclusion;"

(9) Section 104(k) (relating to scientific activities) is amended by striking out "but no foreign currencies shall be used for the purposes of this subsection (k) unless specific appropriations be made therefor" and inserting in lieu thereof the following: "and to promote and support programs of medical and scientific research, cultural and educational development, health, nutrition, and sanitation".

(10) Section 104(o) (relating to assistance to educational facilities sponsored by United States citizens) is amended by striking out so much thereof as follows the semicolon.

(11) Section 104 (relating to uses of foreign currencies) is amended by inserting after paragraph (o) the following new paragraphs:

"(p) For supporting workshops in American studies or American educational techniques, and supporting chairs in American studies.

"(q) For financing technicians and other personnel of the United Nations Food and Agriculture Organization and World Health Organization (including necessary equipment and supplies) engaged in (i) consulting and advising on, conducting, or administering Government programs designed to relieve chronic hunger and malnutrition, (ii) consulting and advising on programs for the storage, management, and operation of national food reserves, or (iii) training local technical, administrative, and other personnel needed to carry out such programs;

"(r) For financing research, surveys, conferences, publicity, and other activities which

the President shall find to be helpful in support of the projected 'Free the World from Hunger' campaign of the United Nations Food and Agriculture Organization; and for such purposes and the purposes of paragraph (q) any currencies of any country available under this Act may be transferred to and used in any other country;

"(s) For financing local currency cost components of projects undertaken by the United Nations Special Fund for which such Fund pays foreign exchange costs;

"(t) For contributions, in addition to United States dollar contributions, to the capital fund of any international development association or organization of which the United States is a member which may be established as an affiliate of the International Bank for Reconstruction and Development for the purpose of making long-term loans for economic development;

"(u) For financing the preparation, distribution, and exhibiting of audio-visual informational and educational materials, including Government materials, abroad;

"(v) For transfer to the International Finance Corporation for the purpose of promoting private investment abroad under such arrangement as may be agreed upon between the President, said Corporation, and the country whose currency is involved;

"(w) For financing the services of technicians, advisers, and administrators who are nationals of any friendly country, which may be needed to further economic and social development programs in other friendly countries;

"(x) For financing relief and rehabilitation projects undertaken following disasters or for assistance to refugees."

(12) Section 104 is further amended by inserting before the period at the end thereof a comma and the following: "and from time to time release for the general purposes of this title funds that may have accrued in excess of prospective needs for payment of United States obligations".

(13) Section 106 (which relates to determination of nations with which agreements shall be negotiated) is amended by striking out the words "Secretary of Agriculture" where they appear the second time and inserting in lieu thereof "President".

(14) Section 107 (which defines "friendly nation") is amended by inserting before the period at the end thereof a colon and the following: "Provided, That such term shall not exclude any nation referred to in clause (2) if the President determines that the making and carrying out of agreements with such nation under this Act will be in the interest of attaining the foreign-policy objectives of the United States".

(15) Section 109 (which relates to the duration of the program under title I) is amended by striking out "December 31, 1959" and inserting in lieu thereof "June 30, 1964".

(16) Section 202 (authorizing grants of surplus commodities for famine relief) is amended by striking out "with friendly governments or through voluntary agencies" and inserting in lieu thereof "by or with friendly governments or voluntary relief agencies to carry out the purposes of section 201 and to assist friendly nations in establishing, expanding, or carrying out programs, including programs undertaken with the assistance of experts and technicians of the United Nations Food and Agriculture Organization, and the World Health Organization for the relief of chronic hunger and malnutrition".

(17) Section 203 (which imposes limits on expenditures under title II) is amended by striking out the first sentence and inserting in lieu thereof the following: "Not more than \$250,000,000, including the Corporation's investment in the commodities, shall be expended annually for all such transfers and for other costs authorized by this title."

(18) Section 204 (which relates to the duration of the program under title II) is

amended by striking out "December 31, 1959" and inserting in lieu thereof "June 30, 1964".

(19) Section 304(b) (which prohibits certain transactions with the Union of Soviet Socialist Republics and areas dominated or controlled by the Communist regime in China) is amended by striking out "title I or title III" and inserting in lieu thereof "title I, title III, title IV, title V, or title VI".

(20) Title III is further amended by adding at the end thereof a new section as follows:

"Sec. 306. Notwithstanding any other provision of law, the Commodity Credit Corporation is hereby directed—

"(1) to dispose of its stocks of edible oils or products thereof by donation, upon such terms and conditions as the Secretary of Agriculture deems appropriate, to nonprofit voluntary agencies registered with the Department of State, appropriate agencies of the Federal Government or international organizations, for use in the assistance of needy persons outside the United States;

"(2) to purchase for donation as provided above such quantities of edible oils and the products thereof as the Secretary determines will maintain the support level for cottonseed and soybeans without requiring the acquisition of such commodities under the price support program.

Commodity Credit Corporation may incur such additional costs with respect to commodities to be donated hereunder as it is authorized to incur with respect to food commodities disposed of under section 416 of the Agricultural Act of 1949, and may pay ocean freight charges from United States ports to designated ports of entry abroad."

(21) Such Act is further amended by adding at the end thereof the following new titles:

"TITLE IV—LONG TERM SUPPLY CONTRACTS

"Sec. 401. The purpose of this title is to utilize agricultural commodities and the products thereof produced in the United States, including but not limited to agricultural commodities in surplus supply, to assist the economic development of friendly nations by assuring such nations a stable supply of agricultural commodities on long-term credit for domestic consumption during periods of economic development so that the resources and manpower of such nations may be utilized more effectively for industrial and other domestic economic development without jeopardizing meanwhile adequate supplies of agricultural commodities for domestic use.

"Sec. 402. In furtherance of this purpose, the President is authorized to enter into agreements with friendly nations under the terms of which the United States shall undertake to deliver annually (a) certain quantities of wheat, rice, cotton, feed grains, or tobacco, or (b) such other surplus agricultural commodities as may from time to time be available, for periods of not to exceed ten years.

"Sec. 403. Payment for such commodities shall be in dollars or in services or in strategic or other materials of which the United States does not domestically produce its requirements, as the President may from time to time determine, with interest at such rate as the President may determine but not more than 2½ per centum per year. Payment may be made in approximately equal annual amounts over periods of not to exceed forty years from the date of the last delivery of commodities under the agreement and interest shall be computed from the date of such last delivery.

"Sec. 404. Any such agreement shall include the following undertakings on the part of the purchasing nation as conditions of such contract:

"(1) That commodities provided hereunder will not replace any usual imports of

the same or similar commodities by such nation from friendly nations;

"(2) That commodities provided hereunder will be used only for domestic consumption and that none of such commodities will be sold outside the purchasing nation either directly or through replacement of domestic production.

"Sec. 405. In entering into such agreements, the President shall endeavor to reach agreement with other exporting nations of such commodities for their participation in the supply and assistance program herein authorized on a proportionate and equitable basis.

"Sec. 406. In carrying out this title, the provisions of sections 101, 102, 103(a), 106, 107, and 108 of this Act shall be applicable to the extent not inconsistent with this title.

"TITLE V—NATIONAL FOOD RESERVES

"Sec. 501. The President is authorized to implement the resolution adopted by the United Nations on February 20, 1957 (United Nations Resolution 1025 [XI]), which was sponsored by the United States, calling for international cooperation in the establishment of national food reserves by making transfers of surplus agricultural commodities for the purpose of establishing such reserves. The Commodity Credit Corporation shall make available to the President out of its stocks such agricultural commodities as he may request for this purpose.

"Sec. 502. In making transfers under this title, the President may provide for delivery f.o.b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of such resolution, for the payment of ocean freight charges from United States ports to designated ports of entry abroad, and for furnishing of technical and other assistance in providing storage facilities for the food reserves so established.

"Sec. 503. (a) No assistance under this title shall be furnished to any nation or organization of nations unless such nation or organization agrees—

"(1) to use the commodities furnished under this title to establish national food reserves;

"(2) to maintain the food reserves so established at agreed levels;

"(3) to consult with and utilize the services of experts and technicians of the United Nations Food and Agriculture Organization with respect to technical problems of storage, management, and operation of national food reserves;

"(4) to maintain and operate such reserves in such manner that they will not interfere with normal commercial trade of the United States or other friendly nations.

"(b) The President is authorized to make transfers of commodities under title II whenever necessary to replenish reserves which are depleted as a result of famine or other urgent or extraordinary relief requirements.

"Sec. 504. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title. Sums appropriated for such purpose shall be available to reimburse the Commodity Credit Corporation for the Corporation's investment in commodities transferred hereunder and for all costs referred to in section 103 (a).

"Sec. 505. No grants or other assistance shall be furnished under this title after June 30, 1964.

"TITLE VI—BINATIONAL FOUNDATIONS

"Sec. 601. (a) The President is authorized to negotiate and carry out agreements with friendly nations to provide for the establishment in such countries of nonprofit foundations to foster and promote research, education, health, and public welfare.

"(b) A foundation established under this title shall be under the direction of a board of trustees consisting of—

"(1) a number, to be determined by the agreement between the United States and the country in which the foundation is located, of the nationals of such country appointed by the Government thereof;

"(2) an equal number of nationals of the United States (one of whom shall be the chief of the United States diplomatic mission to such country) appointed by the President; and

"(3) one member, who shall be chairman, who shall be appointed by the Government of such country with the approval of a majority of the members appointed as provided in clauses (1) and (2).

Members of a board of trustees shall serve at the pleasure of the appointing authority, and vacancies shall be filled in the same manner as in the case of the original appointments.

"Sec. 602. Notwithstanding the provisions of section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President is authorized to grant to any foundation established under this title for use in carrying out the purposes specified in section 601(a) any unexpended local currencies which accrue to the United States, as repayments of principal or payment of interest on loans heretofore or hereafter made by the United States under section 104. Any such currencies may be used for direct expenditure, or may be invested and the proceeds used, for carrying out this title.

"TITLE VII—ADMINISTRATION

"Sec. 701. (a) There is hereby established in the Executive Office of the President an agency to be known as the Peace Food Administration, which shall be headed by a Peace Food Administrator appointed by the President by and with the advice and consent of the Senate. The Peace Food Administrator shall serve at the pleasure of the President and shall receive compensation at the rate of \$21,000 per annum.

"(b) (1) The President shall carry out the functions conferred upon him by this Act and section 402 of the Mutual Security Act of 1954, as amended, either directly or through the Peace Food Administrator.

"(2) The President is authorized to transfer to the Peace Food Administrator the functions of any other agency which he determines are related to the functions of, and can be more effectively or economically carried out by, the Peace Food Administrator, together with any personnel or property used primarily in carrying out such functions.

"(c) The Peace Food Administrator is authorized to make such expenditures and appoint and fix the compensation of such personnel as may be necessary to enable him to carry out his functions.

"Sec. 702. (a) There is hereby established a Peace Food Policy Committee which shall consist of an Assistant Secretary, or officer of comparable level, of each of the following departments or agencies: Departments of State, Treasury, Agriculture, Commerce, Health, Education, and Welfare, and the International Cooperation Administration.

"(b) It shall be the duty of the Peace Food Policy Committee to advise and consult with the Peace Food Administrator concerning the administration of this Act. The Committee shall meet from time to time upon request of the Peace Food Administrator and at such other times as it may deem necessary.

"Sec. 703. (a) There is hereby established a Peace Food Advisory Committee which shall consist of representatives of the following and such other groups as the President deems advisable who shall be appointed by the President for terms of two years:

"(1) the major agricultural organizations;

"(2) exporters of food and fiber;

"(3) voluntary agencies such as CARE and church groups;

"(4) educational groups; and

"(5) voluntary health groups.

"(b) It shall be the duty of the Peace Food Advisory Committee to advise and consult with the Peace Food Administrator, and to make such recommendations as it deems advisable, concerning the administration of this Act. The Committee shall meet from time to time upon request of the Peace Food Administrator and at such other times as it may deem necessary. In carrying out its duties under this Act, the Committee shall invite a representative of the United Nations Food and Agriculture Organization to meet with the Committee in order that, through him, the views of other exporting countries might be heard and their interests taken into account.

"(c) Members of the Advisory Committee shall be entitled, while attending meetings of the Committee, to receive compensation at the rate of \$50 per diem, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently.

"Sec. 704. In negotiating agreements under this Act, the President shall give due consideration to the internal and external political and economic conditions of the countries concerned by drawing upon the appropriate title or titles of this Act in such manner as to carry out more effectively the policy set forth in section 2."

The press release presented by Mr. HUMPHREY is as follows:

SENATOR HUMPHREY PRESENTS CONGRESS WITH BOLD FOOD FOR PEACE PROGRAM

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, today introduced in the Congress the International Food for Peace Act of 1959, outlining a 5-year program of making wiser use of our agricultural abundance as an effective arm of building conditions for peace in the world.

Cosponsoring the measure with Senator HUMPHREY were: Senators JOHN A. CARROLL, Democrat, of Colorado; PHILIP A. HART, Democrat, of Michigan; JOHN F. KENNEDY, Democrat, of Massachusetts; EUGENE J. MCCARTHY, Democrat, of Minnesota; GALE W. MCGEE, Democrat, of Wyoming; A. S. MIKE MONROE, Democrat, of Oklahoma; WAYNE MORSE, Democrat, of Oregon; JAMES E. MURRAY, Democrat, of Montana; and WILLIAM PROXMIER, Democrat, of Wisconsin.

Senator HUMPHREY declared that the "challenge posed by our unprecedented wealth in a world three-fourths needy and no longer willing to remain so" was one of the "most pressing of the long-range challenges confronting the American people."

"This contrast is most dramatic and immediate in the paradox of leapfrogging food overabundance at home and leapfrogging hungry populations abroad," he declared.

"How absurd if surpluses of vitally needed commodities become minuses in America's ledger—for to have too much and not share is surely far worse, in conscience and practice, than to have too little to begin with.

"Common sense and common decency combine to tell us to use our famed know-how and our vast national energies to work out some way in which our food fortune can become the blessing of all people, and not a symbol of selfishness to God's children elsewhere.

"The whole ethical sweep of our traditions and the imaginative resourcefulness of our ancestors cry out the senselessness of any posture that makes food seem a curse in the midst of want.

"It is in this spirit that we propose today a program which should help to make clear

the concern of Americans for all human beings, and the eagerness of Americans to share their food fortune as a contribution toward the removal of privation and inequity from our midst and in our time," Senator HUMPHREY explained.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Food for Peace bill lie on the desk through Wednesday of next week, in order to permit other Senators who may wish to join in sponsoring it to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY subsequently said: Mr. President, earlier today, on behalf of myself and a number of other Senators, I introduced for appropriate reference a bill which I believe is far reaching in its scope and purpose and is constructive in its effect.

I speak today concerning one of the most pressing of the long-range challenges confronting the American people; the challenge posed by our unprecedented wealth in a world three-fourths needy and no longer willing to remain so.

This contrast is most dramatic and immediate in the paradox of leapfrogging food overabundance at home in the United States and leapfrogging hungry populations abroad.

How absurd if surpluses of vitally needed commodities become minuses in America's ledger, for to have too much and not share is surely far worse, in conscience and in practice, than to have too little to begin with.

Thus, common sense and common decency combine to tell us to use our famed know-how and our vast national energies to devise ways in which our good fortunes can become the blessing of all people, and not a symbol of selfishness to God's children elsewhere.

The whole ethical sweep of our traditions and the imaginative resourcefulness of our ancestors cry out the senselessness of any posture which makes food seem a curse in the midst of want.

It is, then, in this spirit that we propose today a program which I have called Food for Peace, and which should help to make clear the concern of Americans for all human beings, and the eagerness of Americans to share their good fortune as a contribution toward the removal of privation and inequity from our midst and in our time.

Mr. President, the bill I have introduced for myself and a group of co-sponsors is designed to promote the foreign policy of the United States and to help to build essential world conditions of peace, by the more effective use of U.S. agricultural commodities for the relief of human hunger, and for promoting economic and social development in less developed countries.

The bill I have introduced is termed the International Food for Peace Act of 1959. Earlier I had asked permission to have printed in the RECORD a description of the bill, a summary of the bill, and the full text of the bill.

It is a revision, expansion, and extension of Public Law 480—redirecting it more along the lines many of us always intended it to go in the first place.

It is not a hastily designed program. It is the outgrowth of long study and careful research.

I myself have been studying this particular proposal for more than 4 years. It has been my privilege to conduct extensive hearings for at least 2 years in the Committee on Agriculture and Forestry, and for at least 5 years in the Committee on Foreign Relations to conduct hearings and to engage in a discussion and a study of the program known as Public Law 480, which relates to the use of American food and fiber for overseas purposes. Therefore, I feel a rather intimate acquaintance with the food resources of the country and the programing as to their use in our international relations.

"Food for Peace" is not merely a slogan. For the last 4 years I have been devoting much time to studying this concept of using our abundance more wisely as a tool of international policy and international friendship. I have studied the impact overseas, and I have studied the administration of the program here at home.

I have not confined myself to my own observations, but instead have availed myself of the judgment and recommendations of all groups studying this program, as I shall indicate later in these remarks.

A year ago last December, I publicly proposed a broader U.S. Food for Peace program, and suggested that we needed a Peace Food Administrator to make it effective. Ever since then, I have been working out detailed improvements in the Public Law 480 program designed toward that end. Late last fall, after further study and observations abroad, I announced that such a program would be introduced in the 86th Congress.

I traveled into several of the countries of the Near East, southern Europe, and north Africa, studying the use and the application of this program. I did the same thing within the past year in countries in eastern Europe and western Europe. I believe that I, as one Member of the Senate, have attempted to inform myself of the possibilities of the use of food and fiber. In my opinion, more time must be given and a more sincere effort made in an attempt to find the proper methods for more constructive uses of food and fiber.

I was pleased that the President, in his state of the Union message, indicated agreement with my Food for Peace objective; and I was, of course, honored that he had borrowed and used the same terminology. Regrettably, I have seen little evidence since then from the administration of more than lipservice to the objective. They have proposed no program. They have merely called another conference.

As beneficial as that conference may be, we need action—and we have had sufficient time, trial, and study to provide for that action.

That is what I now propose, through combining the best judgments I could obtain from inside and outside the administration.

Before outlining my new proposals, let me review briefly the development and history of what is commonly known today, for the lack of a better name, as Public Law 480.

Five years ago Congress passed and the President signed the original law, otherwise known as the Agricultural Trade Development and Assistance Act of 1954. This law launched the United States upon a course of using American agricultural surpluses for constructive and humanitarian purposes at home and abroad. The law authorized the donation of surplus agricultural commodities to Federal, State, and private agencies for welfare purposes in the United States; it authorized their donation for famine and disaster relief and for welfare purposes abroad; and it authorized their sale to foreign countries for local currencies and their barter for strategic materials. Finally, it authorized the use of the local currencies accruing from Public Law 480 sales abroad for a wide variety of constructive purposes, including the payment of U.S. obligations, the promotion of collective strength, and, most importantly, for loans to and in the countries concerned for economic development.

In the 4½ years which ended last December 31, the programing of surplus agricultural commodities under the three titles of Public Law 480 had reached more than \$7½ billion, according to an estimate by the Commodity Credit Corporation.

More than three-fifths of these surplus agricultural commodities valued at a Commodity Credit Corporation cost of more than \$4½ billions was sold abroad for local currencies to countries which could not otherwise have bought them, to meet the needs of their people; 6½ percent, valued at nearly half a billion dollars, was donated to foreign governments abroad, for famine and other emergency assistance; 19 percent, valued at nearly \$1½ billion, was donated for foreign and domestic relief, through non-profit voluntary agencies and intergovernmental organizations; and 13 percent, valued at nearly \$1 billion, was bartered abroad for strategic materials needed by the United States.

Mr. President, I wish to make it clear that although the total sum of money involved in the past 4½ years—until December 31, 1958—had reached \$7,500 million, at the estimated Commodity Credit Corporation cost, that amount also included the storage cost of the materials held by the Commodity Credit Corporation, and it also included the cost of making substantial amounts of those goods available, as I have indicated, for relief and famine-relief purposes. The important point is that \$4,500 million worth of those goods was sold, and our country thus obtained currency which it is able to use constructively for its own purposes. That is what I mean when I refer to changing food into money or changing food into economics.

Furthermore, Mr. President, more than \$1 billion worth of the food was bartered abroad for strategic materials, which do not waste or spoil—strategic materials which were required for the strategic

stockpiles in our country. So, many times, we actually converted grain into platinum, or grain into diamonds, or grain into strategic ores which were in short supply in our country.

Here is the beginning of a program which truly makes sense, a program to convert the abundance of our farms and the abundance and the productivity of our soil into economic power for our Nation and into uses based on neighborly compassion and humanitarianism on the part of our Nation, and to convert the production of our farms into strategic minerals which are needed by our country, or to convert the production of our farms into currency for the use of our country.

I seek to do even better. The proposal we have before us is designed to profit from this limited experience, to broaden the scope of the program, to enlarge the activities which are permissible under the program, and to put the program on a long-term basis, so that never again shall we hear people complain about such use of one of the bountiful blessings of a divine providence, namely, the abundance of food which we have enjoyed.

Sometimes I wonder what has come over this Nation, that some persons should complain of a God-given gift—namely, food—which is so greatly needed to alleviate hunger and suffering and sickness, or that there should be any hesitation to use this food in ways which will be of help not only to the foreign policy of our country—a use which in itself is most commendable—and not only for the economic development of our Nation and other nations, but also to feed the sick and the hungry and to help the unfortunate. If the purpose of what we seek is thoroughly understood, I believe that every person in the United States will support this endeavor.

Mr. President, it is impossible even to imagine the vast good that has been accomplished under Public Law 480, in terms of relieving basic human want and in helping the less developed countries build up their economies for the satisfaction of the needs of their people. I repeat that the American people have reason to thank God for the great abundance of their soil, and to find deep satisfaction in the knowledge that it is being used for such worthy purposes.

Public Law 480 was first passed, as I have said, in 1954, and each year since it has been renewed, with amendments which have widened its scope. The authority of its titles I and II expires on October 31 of this year. If the most important and valuable features of the Public Law 480 programs are to continue beyond this year, the law must be extended at this session of Congress.

Perhaps to some the motives and the needs behind the passage of the original Public Law 480 were mixed, to say the least; and the same can be said for its annual repassages. For this, no apology whatever is called for.

Agricultural surpluses in the hands of the Commodity Credit Corporation have mounted to very large proportions, and have exercised a depressing effect on domestic farm prices, and have resulted in heavy cash outlays for storage—in

fact, about \$1 billion a year for storage. What I am suggesting is that we no longer spend the \$1 billion a year for storage, but that we spend it to make the food available for use for the benefit of humanity and for the benefit of progress, peace, and justice. I venture to say that not one Member of Congress could justify before his constituents choosing to store food, at an annual cost of \$1 billion, and complaining about that, instead of using the food—at the same cost in money—to feed the sick and the hungry and to build a more just society.

We in this country had, therefore, and we still have—a definite, practical, dollar-and-cent interest in protecting our own farm prices and in reducing the amounts of surplus agricultural commodities we hold in storage.

But, as I am sure you agree, Mr. President, this does not cast an unfavorable shadow upon the generosity, the human concern, and the profound wisdom of using these surpluses under Public Law 480 to satisfy human need and to help build an economic foundation for greater peace and security in the world.

The important and the really significant point is that, with the support of the American people, Congress has taken steps toward resolving one of the strangest paradoxes in human history: namely, the existence of hunger, want, and hopelessness in the world, alongside a great volume of existing and potential surpluses of food and fiber which can be used to help meet these needs.

If in the early years of Public Law 480 the motive of self-interest predominated—and I think we might agree that too often it did—it was because there was so little precedent for the use of agricultural surpluses, otherwise than as famine and disaster relief, for constructive purposes. We did not have the experience; it had to be gained. We did not have the techniques; they had to be developed. We did not fully know the potentialities; they had to be learned. Not all had the vision that was needed.

Few there are, I daresay, who in 1954 ventured to think with us that the Public Law 480 program could grow as it has grown in 4½ years, that distant hunger and need could have been found and administered to without interfering with normal U.S. exports or with the normal exports of other countries. Few dared to think that surplus food and fiber, and the local currencies accruing from their sale, would in a few years become a major instrument for promoting economic development abroad, for building conditions conducive to peace, and, thus, for undergirding the foreign policy of the United States.

We have learned much of the potentialities of this instrument; and, as I shall point out in a few minutes, there are many things we should do now, so as to revise Public Law 480 in order to be able to realize its full potential.

Mr. COOPER. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). Does the Senator from Minnesota yield to the Senator from Kentucky?

Mr. HUMPHREY. I am happy to yield.

Mr. COOPER. I do not wish to interrupt the Senator's speech. But I should like to make a brief comment on his remarks.

Mr. HUMPHREY. I am delighted to have the Senator from Kentucky do so; he always has worthwhile things to say. I yield.

Mr. COOPER. I thank my colleague.

Mr. President, the Senator from Minnesota is making a very important speech. When Members of the Senate speak on the floor of the Senate on some more controversial aspect of our foreign policy, or our aid program, such speeches attract widespread attention, and attract support or, sometimes, attract opposition. I think the Senator from Minnesota is now discussing one of the most important parts of our aid program, and one of the most important instruments of our foreign policy.

We attach great importance to military programs and economic aid for the industrialization of other nations. But the Senator is talking about a food program—something the United States can do that no other country can, and when he says that food assists the economic growth of newly dependent countries and developing countries he is correct. The first need of all such countries is food and we have the surplus food.

Second, as the Senator has so clearly pointed out, our provision of surplus foods for counterpart funds, enables the governments of other countries to sell the food to their own people, and thus obtain a source of revenue which can be used internally for the industrial development of their countries.

The program has another value. As those countries begin to be industrially developed, the first increases of their workers' earnings go into food and fiber. As a result, the danger of inflation is presented. Additional amounts of food from our country help reduce inflationary pressures, and save for their people their small increases in earnings.

The Senator is correct in saying that the ability of the United States to furnish food to other nations when no other country can do so is a potent instrument of our foreign policy. Russia cannot supply food; the United States can.

Despite all the practical reasons—reasons of policy and reasons of self-interest, I am glad the Senator has pointed out that our willingness to supply our surplus food to the needy peoples of other countries is the best expression of the moral and spiritual interest and heart of the people and Government of our country. I hope I shall have the opportunity to study the bill of the Senator, and hope I may be able to join him in sponsoring it.

Mr. HUMPHREY. I thank the distinguished Senator from Kentucky. Nothing would be more gratifying to the senior Senator from Minnesota than to have the cosponsorship of this measure by the Senator from Kentucky; and nothing is more pleasing to me than his words of helpfulness, consideration, and praise.

Mr. COOPER. I have attended many hearings at which the Senator from Minnesota has testified, not this year, but in 1958 and in 1957. I know that at least in those years the Senator from Minnesota consistently pressed the argument which he is making on the floor of the Senate today.

Mr. HUMPHREY. I thank the Senator from Kentucky. With his usual modesty, he has failed to tell us that he was Ambassador to India, and saw what food can mean in terms of international policy, and also saw what the lack of it can mean in terms of international disaster.

The advice and counsel of the Senator from Kentucky now, as was true in the days when he appeared before our committees to speak in behalf of the use of our food abundance, is always helpful and always most welcome.

Mr. President, as was indicated by the Senator from Kentucky, 2 years ago the chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] assigned me to make a study, on behalf of the committee, of operations under Public Law 480. The law had been in effect for 3 years, and the committee wished to know what had been accomplished, what more could be accomplished, and what changes, if any, were needed in the law. The study continued throughout most of a year, and included testimony from 71 witnesses taken in 10 days of hearings during June and July of 1957. I then submitted a report to the chairman in February of 1958. Many of the things which I shall say here, and many of the changes in the law which I shall propose today, are the direct outcome of that careful study.

I should like to say that in making our investigation we had the benefit of an excellent previous study, entitled, "Agricultural Surplus Disposal and Foreign Aid," prepared by the National Planning Association, at the request of the Special Senate Committee To Study the Foreign Aid Program, and printed as a committee document in March 1957.

It is a document of the Foreign Relations Committee of the Senate.

Since the completion of my report, two other studies of significance have been made. One is a survey of Public Law 480 operations in six countries made last year by a team of experts, under the guidance and direction of Dr. John H. Davis, then of the Department of Agriculture. This summary report and his memorandum, entitled "Policy Considerations Pertaining to Public Law 480," have been made public by the State Department.

Another study, to which I call attention, was made last year by a team of American businessmen appointed by Mr. James H. Smith, Jr., then Director of the International Cooperation Administration, to make a survey of the accumulation and administration of local currencies. The results of their inquiry, which included extensive field investigation, were submitted to the Director of the International Cooperation Administration on August 5, 1958.

I mention these various studies in order to suggest that Public Law 480 oper-

ations have been carefully investigated; that in each of the reports I have mentioned recommendations were made for changes both in the law and in its administration. Insofar as these studies deal with the same aspects of the program, they are, with one or two notable exceptions, in general agreement as to what changes are needed.

The overwhelming testimony of virtually all who have investigated or have been associated with Public Law 480 operations is resoundingly positive. The program has advanced the foreign policy objectives of the United States. The existing defects and inadequacies in the law and its administration can be corrected, with the result that its contribution to our foreign policy objectives can be greatly strengthened.

I wish to add that all the reports to which I have referred have been studied by the cosponsors of this bill for the past 6 or 7 months. Since last summer I and members of my staff have been working on this proposal, and we have had the advice and counsel of prominent economists, persons who are experts in foreign trade matters, who have studied most meticulously and carefully the operations of Public Law 480.

The bill which I have introduced today, on behalf of myself and other Senators, was the product as was indicated earlier not only of months, but of years of study.

The National Planning Association, in the report to which I referred a moment ago, concluded that "our disposal programs have proved useful, and should be continued with certain changes and modifications." The association described our agricultural surpluses, as "an asset of unique value which can be used with increasing effectiveness in the achievement of our general foreign policies if only we recognize more fully the real contribution they can make."

Dr. John H. Davis reported, on the basis of extensive investigation at home and abroad, that: "Public Law 480 was approved in general by all persons interviewed, both American and foreign. It contributes to economic development. It is of political value to governments. Difficulties or objections reported were not associated with a wish to end Public Law 480, but to improve it."

Dr. Davis is a truly eminent public servant who has worked for the Federal Government on several occasions, both in the Department of State and in the Department of Agriculture. He is one of the most highly respected of the experts who have given of their time and talent to our country.

Mr. Davis also stated:

Four years' experience in Public Law 480 operations has demonstrated that U.S. food and fiber can be used as a positive force in international relations. Of necessity, Public Law 480 operations thus far have been experimental in nature—

I repeat the words "experimental in nature"—

because little precedent existed to serve as a guide. As would be expected under such circumstance, the program that has evolved has both strong points and weaknesses.

Those responsible for the operations deserve much credit for having made the program as good as it is. The strong points

predominate. Nevertheless, the prospect of continuing a large Public Law 480 type program for another 5 years or more makes it important that the U.S. Government remedy the weak points in Public Law 480 operations. To do this, these operations must be reconciled and synchronized with overall agricultural and foreign policies.

Mr. Robert L. Berenson, Mr. William M. Bristol, and Mr. Ralph I. Strauss concluded in their report to the Director of the International Cooperation Administration that Public Law 480 is a valuable tool in fighting the cold war and in assisting our friends and the uncommitted nations, but that it would be even more valuable if needed modifications were made.

I wish to underscore what these three distinguished men have said, namely, that Public Law 480 could be even more valuable if needed modifications were made. This is the conclusion of all persons and groups who have studied the operation of Public Law 480.

Mr. President, the changes, modifications and adjustments proposed in the bill known as the international Food for Peace Act are the modifications and the changes which have been recommended by those who have studied the operations of this program in an objective and unbiased manner.

In my report to the Committee on Agriculture and Forestry it is stated that Public Law 480 "is a valuable instrument of our foreign economic policy, contributing significantly to our foreign policy objectives and making more effective use of an abundant American resource as a force for freedom."

The report also analyzes in detail the changes needed to make it more effective.

A number of amendments have been added to Public Law 480 in its several passages through the Congress, most of them concerning the use of local currencies accruing from sales of agricultural commodities under title I. Also, several amendments have been designed to bring about remedies for a few of the many glaring deficiencies and inadequacies in the administration of the law. However, at no time since its original passage has the Congress taken full account of the many proposals for changes and extensions growing out of experience in operations and out of changing world needs, or made any comprehensive effort to require that in administering the law the Executive shall carry out the true intent of Congress.

The time has now come—after 5 years of Public Law 480 operations—for strengthening the program by correcting its deficiencies and inadequacies. That is the purpose of the "Food for Peace Act" which I today submit for the serious consideration of the Senate—and I trust for affirmative action.

SPIRIT AND PURPOSE OF PROPOSED LAW

The first and by far the most important thing we should seek to do in revising Public Law 480 and transforming it into a Food for Peace Act is to make clear, emphatically, precisely, and beyond all question, the overriding purposes of the act, for virtually all the past shortcomings of Public Law 480 operations have proceeded from differing and

conflicting conceptions as to what those purposes are.

Let us get to the heart of the matter. Are we carrying on a surplus disposal program, or are we carrying on a program for using U.S. agricultural surpluses positively and constructively in the world for the relief of human hunger, for promoting economic and social development in less developed countries, and for serving the foreign policy of the United States by helping to build essential world conditions of peace?

Surplus disposal. To use the term is to insult that half of the people of the world who live in hunger, hopelessness, and despair. America's abundance of food and fiber is a God-given blessing, a tremendous asset to be used to build life and hope, and happiness, a powerful potential asset in the world's struggle for peace and freedom. Yet, the President's top policy committee which coordinates Public Law 480 operations is called the Interagency Committee on Agricultural Surplus Disposal, and there is also an Interagency Staff Committee on Surplus Disposal.

The use of the term itself suggests a great deal of what is wrong with the operations under Public Law 480. It is evidence of the negative attitudes of too many of our public officials who have persistently downgraded the worth of our great food resources and thereby cheapened the spirit behind our willingness to share our abundance. Such attitudes have weakened our bargaining power in negotiating agreements, have generated irritation and ill will in the very countries that need help, and have tended to make the American farmer an object of charity rather than honor him as a producer of wealth at home and abroad. There has been too much of apology and not enough of gratitude on the part of our own officials for our agricultural bounty; and this has contributed in a most important manner to the lack of public appreciation at home and abroad of the tremendous contribution American agriculture is making and can make toward peace and freedom.

The negative attitude of surplus disposal, existing in far too many of our Government offices, is basically responsible for chaotic Public Law 480 administration machinery and procedures; it is basically responsible for the long delays, the irritation, and the ill will which too often attend, quite unnecessarily, the negotiation and carrying out of agreements; and it limits and cancels out far too much of the good that could otherwise be accomplished.

I do not desire to be ungenerous in this matter. It is possible to understand the origins of these negative attitudes without approving of their persistence. There are some who have no patience or true interest in Public Law 480 operations because they disapprove of Government acquisition of agricultural surpluses, and others because they disapprove of surpluses per se and seek to cut back production. I do not propose to challenge their views on surpluses today. It is enough to say now that large surpluses do exist; that the Gov-

ernment has been acquiring large surplus stocks, and that it is likely to continue to acquire them in the future.

We are faced with a fact, not a theory, and, this being the case, it would seem to be incumbent upon all reasonable men to see to it that surplus stocks are used in the most effective and constructive ways possible to further American foreign policy.

Negative attitudes on the part of some persons result more from inattention and thoughtlessness than from design. As I have already indicated, the original Public Law 480 was probably supported by more Members of Congress who conceived of it as surplus disposal than by Members who understood fully its constructive potentialities. But at that time we did not know what we since have learned, namely, that our agricultural surpluses are a powerful instrument for promoting welfare, peace, and freedom on a world scale. Year after year I have seen attitudes change on the Hill. Year after year we have improved and widened and extended Public Law 480, with growing comprehension of its possibilities. Year after year we have tried to convey our growing comprehension to the executive branch, as well as our sense of frustration over its failure to push ahead to realize that potential and administer Public Law 480 with boldness and imagination.

We have made some progress, but we have not made enough.

For these reasons, I am proposing that the revised Public Law 480 be known as the Food for Peace Act; that its statement of purposes be expressed in terms that none can misunderstand, and that that statement be amplified in a preamble which I have included.

I propose a preamble reading as follows:

PREAMBLE

(a) A new fact of history of which full account must now be taken is that because of the increased productivity made possible by science and technology, there is no reason of physical scarcity for the continued existence of hunger—anywhere on this earth. It is now possible and practicable for mankind to take cooperative steps to abolish human hunger.

This being so, massive hunger and suffering from want of clothing, existing in the world in the shadow of unused present and potential surpluses of food and fiber, are no longer tolerable, morally, or politically, or economically.

The Congress, while recognizing the difficult political and economic problems that lie between hunger and want of clothing in many parts of the world and food and fiber surpluses in others, declares it to be the policy of the United States to move as rapidly as possible in cooperation with other friendly nations, toward putting surpluses of food and fiber more effectively in the service of human need.

(b) A second new fact of history of which full account must be taken is that peoples who comprise one-third of the human race have in our generation achieved national independence (or are in the process of doing so) and now, free of outside control, whether colonial or imperialist or Communist, are in full revolt against the poverty, ignorance, disease, inferior status, and lack of opportunity which have always been their lot. They are determined to achieve rapidly that economic and social development necessary to national dignity and individual well-

being. To mobilize their resources with reasonable speed and develop their economies to a point where they are self-propelled and self-sustaining they require substantial outside aid over a considerable period of years. If that aid is adequately forthcoming from the free world, they have a good chance to accomplish their purposes in freedom, remaining a part of the free world and contributing to its strength and well-being. If it is not forthcoming, their alternative is to seek it in the Communist world, and in the process to surrender both personal and national freedom and to weaken the free world.

(c) Deeply aware of and sympathetic with the aspirations of the world's peoples who seek in freedom greater national dignity and individual well-being, the Congress declares it to be the policy of the United States to help them achieve these aspirations through rapid economic and social development. The Congress recognizes that for this purpose a number of different kinds of aid are required, but that among them food and fiber aid, through grant or through sale for local currencies, a portion of the local currencies being, in turn, loaned or granted as development aid, is a highly important form and one whose effectiveness can be greatly increased. The Congress declares that the agricultural abundance of the United States is not an embarrassment but a blessing to be used in the service of mankind, that it should be so used to the maximum extent possible, and that if it is so used it can help build essential conditions of world peace and freedom.

(d) To achieve these larger purposes, the Congress directs that this act shall be administered (1) so as to help other countries carry forward their own national or regional plans for development in freedom and independence; (2) so as to support the efforts and programs of the United Nations, its specialized agencies and affiliated organizations, and regional organizations of friendly countries, directed toward the same ends; (3) so as to leave wide latitude in working out details of national agreements and projects to U.S. chiefs of missions in negotiations with the governments concerned; (4) so as to enlist the cooperation of other countries in putting agricultural surpluses more effectively in the service of human need and the economic and social development of less developed countries.

(e) It is also declared to be the policy of the Congress to expand international trade among the United States and friendly nations, to facilitate the convertibility of currency, to promote the economic stability of American agriculture, and the national welfare, to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States, and to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels, and foreign currencies accepted in payment thereof. It is further the policy to use foreign currencies which accrue to the United States under this act to expand international trade, to encourage economic development, to purchase strategic materials, to pay U.S. obligations abroad, to promote collective strength, and to foster in other ways the foreign policy of the United States.

SCOPE AND DURATION OF FOOD FOR PEACE ACT

The original Public Law 480 passed in 1954 was a 1-year authorization which, even among its supporters in Congress, was widely considered to be a means of dealing with temporary surplus stocks held by the Commodity Credit Corporation. And without effective challenge to

that assumption, it has been reenacted each year on an annual basis.

Meanwhile, several things have been happening:

First. Our agricultural surpluses have not been decreasing, but increasing.

Second. We are comprehending more fully the fantastic productive potentialities of American agriculture due to the increasing application of science and technology.

Third. The morality of cutting back production arbitrarily while half the world suffers from the misery of hunger has come increasingly into question. More and more the American farmer and the American people as a whole have come to realize that the abundance of our farms is a blessing to be used for humanity's sake rather than as an embarrassing nuisance.

Fourth. The success of Public Law 480 operations, notwithstanding obvious deficiencies in administration, has far exceeded even our hopes of 5 years ago. We have learned, by doing, many of the ways in which food and fiber can be used to build the conditions of peace, and we now see ahead even greater possibilities for good, provided the law is altered to make them possible.

All who have studied Public Law 480 operations, and most of those who have been associated with those operations, agree that the temporary, annual basis of program operations seriously restricts both the volume of American food and fiber that can be used for constructive purposes abroad and the effectiveness with which it can be used to promote economic and social development in friendly nations. They all agree in the emphatic recommendation that the authorization for our programs be extended to cover a period of at least 5 years ahead. With American food and fiber supplies available to them only on a 1-year basis, countries living on the margin of their resources, and planning their use ahead, do not know what they can count on, with the result that their stability is unnecessarily brought into question and their development impeded.

It is impossible, for reasons of time, to enter here into a detailed discussion of the host of reasons, mostly technical in nature, discovered through experience, why 5-year program authorization is necessary. They will, I trust, be discussed in subsequent hearings and debate. But I can assure you, Senators, that they are compelling.

Every one who has studied this program finds it urgently necessary. For example, the basic findings of the John H. Davis report to the Department of State on policy considerations pertaining to Public Law 480 stated as follows:

The following estimates of U.S. surpluses and of food-fiber need in low-income countries provide the basis for expecting that a Public Law 480-type program will be in operation for at least 5 more years:

1. From \$10 to \$13 billion of U.S. farm commodities are almost certain to exist in excess of requirements for domestic use and foreign dollar sales during the next 5 years, according to USDA estimates. This is a conservative figure, based on the assumption that more far-reaching measures than those now in operation will be adopted to bring supply and demand forces into balance.

2. USDA and ICA estimates indicate that from \$10 to \$13 billion of U.S. farm commodities can be distributed through Public Law 480-type operations during the next 5 years, without seriously interfering with regular commercial trade.

I am therefore proposing in the Food for Peace Act a 5-year program, and an authorization of \$10 billion over the 5 years of sales for local currencies under title I. The present authorization for sales under title I is at the rate of \$1½ billion a year. It is only reasonable to expect that with more efficient administration on a 5-year basis an annual rate of \$2 billion a year is not in any way excessive.

I want the record to show that every year we spend \$1 billion merely for storage. I repeat this, because I want it seared into the mind and heart of every Member of Congress and every citizen of this country. We must choose whether we want to cut down the storage costs or keep them up. One way to cut them down is to utilize the food abundance which we have in the constructive manner which is being herein outlined. I believe that Members of Congress would have a difficult time explaining to their constituents why we continue to pay \$1 billion or more a year merely to store food, when we could be reducing the storage costs and using the same food for our purposes of international policy and national security, and for humanitarian reasons.

ADMINISTRATIVE MACHINERY

It is a remarkable and shameful fact that no one is really in charge of the store that sells or otherwise distributes billions of dollars worth of surplus agricultural commodities. There is literally no one in high authority in the entire Government who devotes his full time to the administration of Public Law 480.

By Executive order of the President, the administration of Public Law 480 is in the hands of nine agencies of Government coordinated by two interagency committees.

Here is a program which averages approximately \$1½ billion a year. No one is in charge, because of the nature of the Executive order which outlines its administration. There are nine separate agencies involved in the handling of Public Law 480 operations. There are two interagency committees. The International Cooperation Administration, the State Department, the Treasury Department, the Department of Agriculture, the Department of Defense, and other agencies are all involved in the administration of the act. I can think of no business in the world that could be well operated with nine separate bosses and two coordinating committees in charge—if we can call that being in charge. What we are attempting to do is to correct an administrative jungle.

In distributing authority among these agencies the President assigned to the several departments and agencies those aspects of Public Law 480 which are related to the type of work they normally carry on. The result is divided responsibility, overlapping authority, clashing points of view—with many bosses, with loose committee coordination, but with

no one guiding hand with authority and power to act decisively.

Policy decisions are made by a six-agency committee chaired by a member of the White House staff. This body is called the Interagency Committee for Surplus Disposal. Its Chairman is Mr. Clarence Francis. Member agencies are the Departments of Agriculture, Commerce, Treasury, State; International Cooperation Administration; and the Bureau of the Budget.

Operational decisions are made by a nine-agency committee chaired by a representative of the Department of Agriculture. This body is called the Interagency Staff Committee. It is headed by the Director of the Department of Agriculture's Foreign Agriculture Service. Other member agencies are the Departments of State, Commerce, Defense, Treasury, International Cooperation Administration, Office of Civilian and Defense Mobilization, Bureau of the Budget, and the U.S. Information Agency.

As head of the Interagency Staff Committee, the Department of Agriculture is responsible for initiating agreements for sale of surpluses for foreign currencies, for seeing that these agreements are pushed through and getting the commodities delivered. The Secretary of Agriculture is also directed to arrange barter transactions through private trade channels.

Though the Department of Agriculture is responsible for initiating agreements, the State Department has final authority in all matters concerning foreign policy, including negotiations for agreements, and has, in effect, veto power over the U.S. Department of Agriculture. The State Department is also responsible for handling the international educational exchange program, financed in part under Public Law 480.

The International Cooperation Administration has charge of foreign currency loans for economic development as a result of Public Law 480 sales, for government-to-government disaster relief grants, and for donations of food and fiber distributed by U.S. voluntary relief agencies functioning overseas.

The Bureau of the Budget is responsible for making allocations of the foreign currencies acquired through sale of food and fiber, and apportioning the currencies to the agencies in Washington which carry out the programs.

The Treasury Department handles regulations governing purchases, custody, deposit, transfer, and sale of foreign currencies.

The Office of Civilian and Defense Mobilization selects the strategic materials to be purchased with food surpluses or currencies obtained from sale of surpluses. The General Services Administration acts as agent for OCDM in the purchasing and handling of strategic materials under the program.

The Department of Defense uses local currencies from the program for purchase of military equipment, materials, and facilities such as housing.

The U.S. Information Agency is in charge of publicizing Public Law 480 activities abroad.

With functions thus distributed, with authority overlapping and conflicting, and with no single high officer having the authority to cut through the administrative jungle, the negotiation of agreements for the sale or use of our surplus agricultural commodities is frequently by a long, complex, and tedious process.

Despite these almost incredible difficulties, a great deal of good has been accomplished. That is primarily because of the dedication of some of the men who have handled this program in the Department of Agriculture and in the State Department. I know these men, and I wish to pay them a sincere tribute. I have in mind Ray Ioanes, who has been a tower of strength, and other men like him.

Without guidance on larger objectives and too often restricted by a narrow view and a negative attitude, the Department of Agriculture drafts not only a proposed sales agreement but also a detailed advisory paper for the conduct of negotiations with the foreign country. This paper is prepared for the guidance of our ambassador. These advisory papers must run the gauntlet of the Interagency Staff Committee on Surplus Disposal which usually insists upon unanimous agreement. Frequently 6 or 8 months of a fiscal year are consumed before our Chiefs of Mission abroad receive the necessary authority and instructions for negotiating an agreement.

Moreover, the instructions which he receives are usually so explicit and detailed as to leave him little if any room for maneuver or negotiation, with the result that he is obliged to consult Washington on every change requested by the other negotiating country. By the time the agreement is finally consummated there may remain only 2 or 3 months of financial authority, under annual extensions of Public Law 480, in which to make shipments and carry out the terms of the agreement.

Virtually all who have studied or been associated with Public Law 480 operations agree that there is urgent need to give strong and authoritative central direction to the program and to tighten up administrative machinery and procedures so as to make possible more rapid and effective progress toward agreed goals. During World War II the President, recognizing the importance of agriculture to the Nation's war objectives, created a War Food Administration separate and distinct from the Department of Agriculture. Today, the need is no less for a Peace Food Administration to make the most constructive possible use of our agriculture as a force for peace and freedom.

Accordingly, in the bill I present today I am proposing the establishment of a Peace Food Administration directly under the President, headed by a Peace Food Administrator who shall have sufficient authority to pull together the now widely dispersed operations under Public Law 480, give them central direction, and weld them into an efficient team moving purposefully toward the program objectives set by Congress. It will be possible for Congress to hold one office responsible, instead of the present im-

possible task of tracking down administration through the existing administrative jungle.

I say most respectfully and charitably to my colleagues that if they do not believe that is a real task, they should try it for size. It is the kind of sleuthing job which even the FBI might wish to take another look at in terms of whether it would be willing to undertake the operation. It is not that the men who handle the program are not trying to do a good job, for they are trying to do so. I have nothing but praise for the men who are attempting to carry out the purposes of the law as presently written.

What I am concerned about is that for some peculiar reason, in the handling of Public Law 480, we have become the victim of an administrative establishment which by its nature weakens or limits the effectiveness of the program. I see no reason why the Government of the United States should be choked to death by committees. I see no reason why the operation of the program should be stifled by a host of agencies and bureaus and interagency committees and staff committees. It seems to me that we ought to maximize the operations of the program and try to make it as efficient as possible. This is the purpose of the administrative proposals which are now being made.

I am proposing not only that the administration of Public Law 480 be placed under the new Peace Food Administrator, but also section 402 of the Mutual Security Act.

Operations are similar and overlapping, and study has shown that much would be gained by coordinating them.

I am also proposing that an interagency Food Peace Policy Committee be created at the Assistant Secretary level to advise and consult with the Peace Food Administrator, and also a Peace Food Advisory Committee made up of nongovernmental representatives of each of the major farm organizations, food and fiber exporters, representatives of voluntary relief agencies such as CARE and church groups, and representatives of voluntary health groups.

We are confronted by one of the gravest challenges and brightest opportunities in all history, and the use of our agricultural surpluses can be a powerful instrument in helping meet the challenge and realize the opportunity. It is imperative that administration be so organized as to make most effective use of that instrument.

NEW TITLES

In the proposed Food for Peace Act which I submit to you today there are four new titles in addition to the three now in Public Law 480. One concerns administrative machinery which I have already described. I shall now comment briefly upon the other three which would authorize new activities which it is believed would be useful in accomplishing the purposes of the act.

LOAN PROGRAM

One of these is a new title IV. Public Law 480 at present authorizes sales of surplus agricultural commodities for lo-

cal currencies, barter for strategic materials, and under certain circumstances for grants. However, it has become increasingly clear that the program would be improved by the addition of authority to make long-term low-interest loans, with deferred payment of interest and principal, to cover purchases of surplus agricultural commodities.

Title IV would provide an additional channel of assistance to developing nations, which in some cases might supplement or be preferable to other methods authorized under this act.

This title authorizes 10-year contracts for the delivery of surplus commodities to friendly nations with credit terms of up to 40 years.

Many countries throughout the world are now engaged in, or entering upon, intensive efforts to develop industry, transportation, electric power, and other similar aspects of their economies. When countries enter upon such periods of intensive industrial development, agricultural production nearly always fails to keep up with domestic demand. This develops because capital and other resources that are concentrated on industrial development are most frequently withdrawn from agriculture, and at the same time that industrial and commercial development takes place, rising consumer income creates a larger demand for agricultural commodities.

A country in this situation needs a source of agricultural commodities on which they can depend during their period of economic development. Their development plans need to be made with full assurance that adequate supplies of food and fiber will be available.

Therefore, this section provides that the President may enter into agreements with friendly nations to deliver annually certain quantities of wheat, rice, cotton, feed grains, or tobacco, or other surplus agricultural commodities as may become available, for periods of not more than 10 years. Payments for these commodities shall be made in dollars or in services or in materials which the United States does not produce domestically in quantities sufficient for our needs. Payment may be made over a period of time not to exceed 40 years from the date of the last delivery of commodities under the agreement, and interest of not more than 2½ percent per year shall be computed from the date of final delivery.

In making such arrangements, it will be agreed that these commodities will not replace any usual imports from friendly nations, but shall be in addition to these imports.

NATIONAL FOOD RESERVES AND RELIEF OF CHRONIC HUNGER

A second new title—title V—would authorize grants of surplus foods, under agreements with friendly countries having chronic or recurring food deficits or widespread malnutrition, for the purpose first, of enabling them to build up and maintain minimum national food reserves; and second, for inaugurating or expanding—with the assistance of FAO technicians and administrators—programs to relieve chronic hunger and malnutrition due to poverty and ignorance.

The subject of food reserve stocks in deficit countries or areas has been studied and discussed intensively for many years in the United Nations, in the United Nations Food and Agriculture Organization, and in many individual countries, including our own. Without adequate food reserves, countries that suffer widely fluctuating crops due to drought or flood, that are remote from the world supplies, and that in any case live on the margin of hunger and their national financial resources, are frequently at the mercy both of the weather and food speculators. The result is frequently, therefore, that the people—quite unnecessarily—suffer misery and death due to sudden famine, before famine relief can arrive, or want due to merciless price gouging.

That the maintenance of minimum food reserves at the proper places is desperately needed, there is no question. The problem is how to do it.

Over the years there have been a number of proposals for the establishment of an international food reserve or world food bank, and these have received the most serious world study and consideration. However, the conclusion was reached in the United Nations Food and Agriculture Organization that given the present stage of our knowledge and experience, the technical and political obstacles to the establishment and operation of an international food reserve were almost insurmountable, and that instead international cooperation to establish and maintain national food reserves in food deficit countries was practical and desirable. Accordingly, at the 1957 session of the United Nations General Assembly I, as a member of the U.S. delegation, introduced on behalf of the U.S. Government a resolution calling for international cooperation in the establishment of national food reserves and for building the necessary storage facilities. This resolution was adopted I believe unanimously. It was supported by the U.S. Government, obviously; otherwise, as a delegate of the U.S. Government to the United Nations, I could not have offered it.

The CONGRESSIONAL RECORD contains information relating to the resolution and the action of our Government. I recall that a statement relating to it was placed in the RECORD, first, by the distinguished junior Senator from Iowa [Mr. MARTIN], and then I placed in the RECORD the exact text of the message of the U.S. Government which it was my privilege to deliver as a delegate to the United Nations in 1957.

Since then the administration has made no move whatever that I have been able to discover to implement its own resolution passed by the United Nations General Assembly.

While there is no excuse for complete inaction, in all fairness it must be said that the administration did not have all of the tools it needed with which to do the job. The financial limitations of the countries which need to build up national food reserves are such that the United Nations Food and Agriculture Organization has concluded as a practical matter that such reserves can be built up only

through grants from surplus producing countries rather than through purchases—either for hard currencies or local currencies. Also needed are grants of food surpluses which can be sold to provide the money necessary to build adequate storage facilities.

There are other difficulties. The storage and management of substantial food reserves is a highly technical operation, demanding skills and experience which are in short supply in the needy countries. Moreover, there is some danger that, without a high degree of technical competence and administrative diligence, national reserves, once built up, might either be depleted or used in ways deleterious to normal commercial trade.

These are the reasons, then, for the new title V in the Food for Peace Act which I have today introduced in the Senate.

Under this title, the President is authorized and directed to negotiate agreements with friendly nations or organizations of friendly nations to provide for the grant of specified amounts of CCC holdings of surplus commodities in order to implement the 1957 United Nations resolution, which I have already described. The President is directed to seek and secure commitments from the countries receiving grants for this purpose, to maintain national food reserves at agreed levels, making replacements in such reserves, when necessary, either through commercial purchases or purchases with local currencies from the United States under title I, except that in the case of depletion as a result of famine or disaster the President is authorized to make grants under title II to build the reserves back to the agreed level. The President is also directed to seek and secure commitments that experts and technicians of the United Nations Food and Agriculture Organization shall be engaged to consult and advise on the technical problems of storage and management of national food reserves, and upon the general operation of the national food reserves, with a view to assuring that they shall not interfere with the normal trade of the United States or that of other exporters.

A second part of the proposed new title V authorized the President to negotiate agreements with other countries under which U.S. agricultural surpluses would be made available on a grant basis to aid those countries in inaugurating or expanding—with the assistance of food and agriculture organization technicians and administrators—programs to relieve chronic hunger and malnutrition. This authority, it seems to me, is a highly important addition. Under the present law, grants are available for this purpose to United States voluntary agencies, but their scope of action is necessarily limited.

Furthermore, many countries do not have the technicians and administrators necessary to inaugurate or expand programs for seeking out hidden hunger and ministering to it. The new authority in title V would make it possible for these countries to engage Food and Agriculture Organization technicians and administrators to help them carry on pro-

grams to relieve chronic hunger and malnutrition. If we really want to use American food surpluses to help relieve hunger and misery that otherwise go unremedied, this is one of the important ways to do it.

USE OF REPAYMENTS OF INTEREST AND PRINCIPAL ON LOCAL CURRENCY LOANS FOR RESEARCH, EDUCATION, HEALTH, AND PUBLIC WELFARE

The last of the new titles to be discussed is title VI, which I am sure will arouse intense interest and debate, for it faces up to the problem, hitherto neglected in legislation, of what shall be done with the local currencies which are beginning to accumulate as a result of the payment of interest and repayment of principal on local currency loans made under title I. Public Law 480 has been silent on this point, but all who have studied or thought deeply about the programs conducted under this law have recognized that sooner or later the law would have to speak. Now is the time, because the interest and principal repayments are beginning to flow in and will in time become a very serious problem.

Looking ahead, Mr. James H. Smith, Director of the International Cooperation Administration, last year appointed three outstanding American businessmen, whose names I have already mentioned today, to make an exhaustive field survey of this problem. This they did, and on August 5, 1958, they made a report to him entitled "Accumulation and Administration of Local Currencies," which I shall refer to hereafter as the Berenson-Bristol-Strauss report. The report deals with accumulations in general, and only in part with accumulations resulting from repayment of principal and interest on local currency loans. In drafting the new title VI of the Food for Peace Act I have drawn heavily upon their report.

As of December 31, 1958, agreements under title I had been signed with 36 countries covering purchases of our surplus agricultural commodities having a market value of \$3,323 million, repayable in local currencies or dollars. In fact, virtually all repayments will be in local currencies. Of this amount, roughly half is scheduled to be loaned back to the governments concerned, and loans totaling \$327 million had actually been made. In general, the loans are for 40 years, with interest—if paid in local currency—at 5 percent, principal repayments beginning after 3 years.

As is evident, the problem of what to do with the local currency reflows is only incipient, but it takes no imagination to see that in time, as the program continues, it will become a very serious problem indeed.

In seeking a solution, the first thing to understand is that this local currency is not in itself a resource or a commodity but is merely a claim on the resources of the country of its origin. Only a small part of it is usable to pay for the obligations of the United States, and the remainder—the larger part—is not subject to the unilateral control of the United States but only in agreement with the country concerned. It is useful only in the country of origin.

Our purpose being to help, not weaken, these countries, there are serious disadvantages to our accumulating large holdings of their currencies. Depending upon how they are used, they can bring about deflation or inflation. No country would long tolerate our possession of an instrument which could control their destiny. If we should acquire such control, we would offer the Communists a stick with which to beat us over the head unmercifully.

There is no doubt whatever that we must not acquire large holdings of these foreign currencies, but that we must put them to work in the only places where they can work, and that is in the countries of their origin. But how? Assuming that continuation of Public Law 480 sales will continue to provide currencies which can be loaned for economic development, the answer is that local currency reflows can best be used as grants for non-profit-making but socially useful enterprises such as research, health, education, and public welfare.

It has long been recognized that ill-health, malnutrition, and a low level of education, both general education and vocational education, are basic impediments to economic development. Here, then, is an opportunity to help fill one of the necessary gaps and round out our food for peace program.

In the Davis report, the National Planning Association study, and the Benson-Bristol-Strauss report a strong case is made for grants of local currencies for research, health, education, and public welfare, and in the latter a very strong case is made for the administration of such grant funds by binational foundations established through agreement between governments, but operating in a semi-independent manner.

In the proposed title VI their recommendation is adopted for reflow of funds.

In title VI the President is authorized to negotiate and carry out agreements with friendly nations to provide for the establishment in such countries of non-profit binational foundations to promote research, education, health, and public welfare. Such foundations shall be under the direction of boards of trustees, the majority of whose members shall be nationals of the host country appointed by its government, and the remainder shall be nationals of the United States appointed by the President of the United States. One of the U.S. members shall be the U.S. Ambassador. The Board of Trustees shall select the officers of the Foundation. The Foundation shall have freedom to use the funds available to them either directly or through investment and use of the proceeds.

The President is authorized by the bill to grant to such foundations, for the purposes specified in this title, local currencies which accrue to the United States as repayments of principal and interest on all local currency loans which have been made by the U.S. Government in the past under Public Law 480 or which may be made in the future under the present act.

NEW USES FOR LOCAL CURRENCIES ACCRUING FROM SALES UNDER TITLE I

Before concluding, I think it may be useful to point out that in the Food for Peace Act it is proposed to authorize a number of new uses, in addition to those already named in section 104 of title I of Public Law 480, for local currencies accruing from sales.

One of these is for loans to promote medical and scientific research, educational development, and health, and education.

A second is for financing the dubbing, showing, and distribution of audiovisual informational and educational materials, including Government materials abroad.

A third is for financing the services of technicians, advisers, and administrators who are citizens of any friendly country and who may be needed to further economic and social development programs in other friendly countries.

Five new additions are designed to authorize the use of local currencies, in agreement with the countries concerned, to permit, to buttress, and to extend social and economic development projects and activities carried on in those countries by the United Nations and its specialized agencies and affiliated organizations: specifically, the United Nations Special Fund, the United Nations Food and Agriculture Organization, the International Finance Corporation, and an International Development Loan Association, if and when such may be established as an affiliate of the World Bank for the purpose of making long-term loans, including local currency loans, for economic development.

To my mind, these five additions, which will tend in some measure to internationalize the use of the foreign currencies accruing from Food for Peace sales, are of the highest importance. I cannot too often repeat that our food and fiber surpluses are a powerful potential instrument for the economic and social development of the less developed countries, and can give rise to exceedingly extensive enterprises. However, if we seek to confine this enterprise into purely bilateral channels, with bilateral controls, we shall not only limit it, but we shall reap discord instead of good will. The United States is strong and it is wise. But it is neither strong enough nor wise enough to bring about alone that tremendous economic and social development which is necessary and possible. For that, the combined efforts of all nations are required, and I do not doubt that in the years immediately ahead we shall see a great burgeoning of projects carried on by and through international organizations. It is of the utmost importance that we equip ourselves to exert our efforts increasingly through international agencies.

In this shrunken world, the growing contrast between greatest wealth and direct need warps our perspective, threatens our survival, and offends our instincts as brothers of all men.

Mr. President, it is imperative that our people, privileged and anesthetized in the illusory fortress of their good fortune, notice the dawn rising even now in the East—a dawn burdened with the historic

resentments of 2 billion human beings hungry and hopeless for countless millenniums—a dawn, however, also fresh with the radiance of unbounded opportunity.

Mr. President, let me emphasize that this response to the cries of the hungry abroad does not conflict in any way with our responsibility to see that the hungry and ill clad in this country are cared for. We have not forgotten that we have children here, too, who go to bed hungry at night, that there are needy old people, and people with earning power inadequate to their needs. Today more than 6 million Americans are dependent on public funds for the food they eat.

Certainly, these demands must be met. One first big step would be to use the laws which are already on the books. The Secretary of Agriculture has the authority, and he has the funds—section 32 funds, which year after year he hoards, and turns back to the Treasury—to help these people. If he wished to accept his full responsibility, the people unemployed in West Virginia and Kentucky, in Michigan and Mississippi, and in New Jersey, Maine, and California, could have food to eat.

Mr. President, I am delighted that yesterday it was my privilege to join with the fine and able Senator from Missouri [Mr. SYMINGTON] in presenting to the Senate and to the Congress our food-certificate plan and food-stamp plan to take care of the needy in our own country. How the Congress or this administration could refuse to endorse such a program would be beyond my comprehension.

I repeat that as we plan for the use of our abundance of food in our international relations, let us think also of how we can use our food abundance to take care of those at home who are in need. Indeed, charity begins at home; and now we have provided the administrative machinery for the proper use of food and fiber to relieve human suffering both at home and abroad; and we here in the Congress should respond to the calls for help, to which I have referred, by enacting a realistic food-stamp plan bill that will, at a very small cost, improve the diets and the lives of millions of undernourished, and will do this through the regular channels of trade in a way that will bolster our economy. This will indeed be bread cast upon the waters, for which we can see an immediate return.

But strongly as I support wiser use of our food abundance to feed our own hungry, I am equally concerned about feeding hungry people everywhere.

As I said at the beginning of my remarks, I think the American people are eager, Mr. President, to redeem our heritage and to restore our image.

I think we are ready to cast our bread upon the waters, because we know that is what we would want to have others do for us, were we where they are now. I think we are ready to acknowledge and to rejoice in the fact that God, in the ultimate of His wisdom, has made present imperatives of ancient ethics.

Lately there have been times, Mr. President, when it has not been easy to

remember the authentic America—an America grateful for her bounty, eager to provide shelter to the needy, eager in her generosity—an America whose pocketbook is open, even if Communists do not threaten; an America whose schools are open, even if all her children are not of the same shade; an America whose heart is open to all men, in the humility of her unique opportunity to serve. That is the America that I love.

It is this America that asks patience and understanding from her older brothers across the sea, that finds wisdom in her heritage of diversity, and that asks of others help in finding ways to be of help to others.

And it is this America—too modest to sense yet the power of her unleashed conscience and energies—that must now be roused to the opportunity of the ages; the opportunity of a humanity working together against privation and inequity, and warmed in its labors by the love of the Lord for all his creatures.

Mr. President, it is in that spirit and in that philosophy that this proposed legislation is introduced. To my mind, so far as my work in these legislative halls is concerned, this measure is the most important and the most rewarding of all my endeavors. I believe I speak for the other Senators who have joined me in sponsoring the measure when I say that this proposed legislation represents the kind of constructive good, both in terms of policy and in terms of ideals, that all of us embrace.

FREE IMPORTATION OF ARTICLES FOR EXHIBITION

Mr. JACKSON. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 147, House bill 5508.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 5508) to provide for the free importation of articles for exhibition at fairs, exhibitions, or expositions, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington.

There being no objection, the Senate proceeded to consider the bill.

Mr. JACKSON. Mr. President, this measure provides for permanent legislation permitting the free entry, under bond, of imported articles for exhibition or use at fairs designated by the Secretary of Commerce. The passage of the pending measure would avoid the necessity of adopting special acts each year to deal with individual fairs.

The bill was reported unanimously by the Committee on Finance, and it passed the House unanimously. It has been approved by both sides of the aisle.

The PRESIDING OFFICER. The bill is open to amendment.

If there is no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959

The Senate resumed the consideration of the bill (S. 1555) to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes.

Mr. ERVIN. Mr. President, yesterday I offered an amendment to strike out title VI of Senate bill 1555. I wish to state the reasons why I offered that amendment. If the amendment were adopted, it would strike from the pending bill six nongermane amendments to the Taft-Hartley Act.

I realize that there are certain nongermane amendments to the Taft-Hartley Act in the first title of the bill. It would be my purpose to offer an additional amendment to strike those nongermane amendments to the Taft-Hartley Act from the first title of the bill in the event my amendment striking title VI from the bill should be adopted.

For 2 years I have served upon the Senate Rackets Committee, which has been presided over so ably and courageously by a truly great American, Senator JOHN L. McCLELLAN. This committee has investigated some 20 unions which act as collective bargaining agents for several million men and women employed in industries affecting interstate commerce.

The testimony taken by the committee has shocked the conscience of the Nation.

This is true because the testimony has made it crystal clear that some or all of the following have occurred upon frequent occasions in some of the unions investigated:

First. Union moneys in enormous amounts have been converted to their own use or that of their cronies by union officers whose duty it was to safeguard them.

Second. Union officers committing such raids upon union treasuries have destroyed union records to conceal their financial misdeeds from union members, income tax authorities, law enforcement officers, and investigating committees.

Third. Union members have been deprived of any real voice in the election of union officers or the management of union affairs by dictatorial activities of union officers, undemocratic regulations, wanton abuse of the trustee process, and even, on occasion, sheer terrorism.

Fourth. Persons convicted and sentenced to prison for armed robbery, burglary, extortion, and other infamous crimes have been placed in positions of authority over honest and law-abiding union members shortly after their release from prison and before they had brought "forth fruits meet for repentance."

Fifth. Union charters have been granted to known racketeers and their associates, who have used them as devices to prey upon the public and helpless workers compelled to earn their bread in the sweat of their brows.

Sixth. Union officers and agents of employers have entered into conspiracies resulting in sweetheart contracts or other arrangements which constituted betrayal of the union members by officers, who were supposed to represent them.

The great majority of union officers do not countenance or tolerate malpractices of these types in the areas in which they have the power to act. Nevertheless, the testimony taken by the Senate Rackets Committee shows that such malpractices are widespread in some segments of the union movement, and that they will undoubtedly continue unless they are outlawed by Congress. After all, John Stuart Mill was right when he said: "Laws and institutions require to be adapted, not to good men, but to bad."

For these reasons, there is a crying need at this hour for congressional action outlawing the malpractices I have enumerated.

It is obvious that if Congress is to do this, it must enact a statute regulating to a limited extent the internal affairs of unions.

Titles I to V, both inclusive, of S. 1555, which is popularly known as the Kennedy-Ervin bill, are well designed to outlaw the malpractices under scrutiny. If it should be enacted into law, the bill would make union officers legally accountable for safeguarding union money, impose criminal penalties upon union officers for willful misuse of union moneys or the willful destruction of union records, bar convicted felons from holding union offices until they have brought "forth fruits meet for repentance," prohibit union officers from arbitrarily using the trustee process, and from conniving with management to the detriment of union members, and secure to dues-paying union members both the right and the power to select the officers and control the affairs of their unions.

In laying stress upon the crying need for legislation outlawing the malpractices enumerated by me, and in pointing out that the first five titles of S. 1555 are well adapted to accomplish this purpose, I do not overlook these two things: First, that industry, labor, and the general public are demanding various changes in the Taft-Hartley Act, which was adopted in 1947 to regulate external relations between industry and labor; and, second, that title VI of S. 1555 contains what I have designated as certain amendments to the Taft-Hartley Act which not germane to the primary objective of the bill as set forth in its first five titles. Indeed, I have been convinced by my own study of the subject and also by testimony presented to the Senate Rackets Committee that it is highly desirable for Congress to change or clarify some of the provisions of the Taft-Hartley Act, including those relating to organizational picketing and secondary boycotts.

While this is true, Congress should not attempt to outlaw malpractices in the internal affairs of unions and to amend the Taft-Hartley Act in one operation or in a single piece of legislation. On the contrary, Congress should do these

jobs one at a time. This is so for these reasons:

First. Malpractices in the internal affairs of unions and problems arising out of the external relations of industry and labor are quite dissimilar in nature, and require quite different legislative treatment. To combine the consideration of such diverse matters is not conducive to sound legislation because it tends to confuse issues and distract legislators.

Second. The passage of needed legislation to outlaw malpractices in the internal affairs of unions ought not to be put in jeopardy by saddling such legislation with unrelated controversies between industry and labor respecting nongermane provisions of the Taft-Hartley Act.

Third. The Taft-Hartley Act is an exceedingly important and intricate law which should not be subjected to indiscriminate amendment on the Senate floor until the proposed changes in it have been adequately studied by the appropriate Senate committee.

For these reasons, I urge that the nongermane amendments to the Taft-Hartley Act embodied in title VI of S. 1555 be stricken out, and that the bill be thus restricted to its primary objective; that is, the outlawing of the malpractices in the internal affairs of unions so clearly revealed by the investigations of the Senate Rackets Committee.

Mr. President, I do not claim to be a prophet or the son of a prophet; nevertheless, it is safe to make this prediction: If the nongermane amendments to the Taft-Hartley Act are stricken out, S. 1555 will pass the Senate by a virtually unanimous vote with a minimum of debate and delay, leaving the Senate free to consider at a subsequent time in a manner consistent with orderly legislative procedure all proposed changes in the Taft-Hartley Act after those changes have been adequately studied by the appropriate Senate committee.

It is likewise safe to make this prediction: If the nongermane amendment to the Taft-Hartley Act are not stricken out, their presence in S. 1555 will constitute an invitation to every Senator to offer upon the Senate floor as amendments to the bill whatever changes in the Taft-Hartley Act he deems desirable. As a consequence, the Senate will be bogged down for days on end in debate upon all the controversial features of the Taft-Hartley Act. This is likely to result either in the defeat of S. 1555 or the mangling of the Taft-Hartley Act. Intricate legislation cannot be properly framed amid heated debate upon a legislative floor.

We cannot justify exposing the provisions of the first five titles of S. 1555 and the Taft-Hartley Act to these alternative perils. The perils are wholly unnecessary because they can be entirely avoided in the first instance by the simple expedient of striking out title VI. Such action should be taken by the Senate at as early a moment as possible.

After this action is taken, the Senate should reject all subsequent attempts to write into S. 1555 any nongermane changes in the Taft-Hartley Act and

send the restricted bill without delay to the House, whose concurrence in the action of the Senate would make it reasonably certain that union treasuries will not be pillaged with impunity by their custodians, that unrepentant convicted felons and racketeers will not be given dominion over honest and law-abiding union members, that dictatorial union officers will not be allowed to rob union members of their basic rights by abuse of the trustee process, that corrupt union officers will not be permitted to connive with management to betray the union members they represent, and that union members will possess the power as well as the right to exercise an effective voice in the selection of the officers and the control of the affairs of their unions.

Surely the investigations of the Senate Rackets Committee make it manifest that this is a "consummation devoutly to be wished."

A study of Federal law will show that industry has some substantial safeguards against any possible abuses of the unions under the provisions of the Taft-Hartley Act as it now exists, and that the unions have some substantial protection against abuses on the part of industry under the Taft-Hartley Act as it now exists; but a study of Federal law and the investigations of the Senate Rackets Committee make it crystal clear that the rank and file of union members have no protection of any kind against dictatorial and corrupt officers of unions or against the connivance of management with a corrupt labor leader to deprive them of their rights.

The question which is before the Senate fundamentally is this: Shall the Congress grant protection without delay to the persons in this area of our national life who now have no protection, or shall the Congress jeopardize the right of these persons to protection at the hands of our Government by indulging in a controversy concerning the many controversial features of the Taft-Hartley Act—a course of action which will probably result not only in the denial of any rights to those who now have no protection but also in the mangling of the Taft-Hartley Act itself.

The best way to avoid such a calamity is to adopt my amendment and to confine the pending bill to the regulation of the internal affairs of unions so far as such regulation is required to protect the rights of their members, and at a subsequent period to give the appropriate committee an opportunity to bring forth a bill providing any desirable changes in the Taft-Hartley Act under such circumstances that the proposed amendments can be considered in an adequate manner, and thus free those who are now without protection of the danger that they will receive none at the hands of Congress.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 16, 1959, he pre-

sented to the President of the United States the following enrolled bills:

S. 144. An act to modify Reorganization Plan No. II of 1939 and Reorganization Plan No. 2 of 1953; and

S. 1096. An act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction and equipment, and for other purposes.

RECESS

The PRESIDING OFFICER. What is the wish of the Senate?

Mr. BEALL. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 29 minutes p.m.) the Senate took a recess until tomorrow, Friday, April 17, 1959, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 16, 1959

The House met at 12 o'clock noon.

Rev. Charles W. Holland, Jr., B.D., Th.M., pastor, Fountain Memorial Baptist Church, Washington, D.C., offered the following prayer:

In the first book of the Bible 4:9 we read: *and the Lord said unto Cain, "Where is Abel thy brother?" and he said, "I know not: Am I my brother's keeper?"*

Father-God, Creator of man, help each Congress man and woman in this great body to realize he is his brother's keeper.

As legislation is premeditated in the minds of these servants of the people of these United States, imprint, indelibly, inerasably, inexpungibly, upon each person as he works in this enclosure and the confines of his office the fact that he is his brother's keeper.

We feel, dear Heavenly Father, that if this is kept before our thinking we will see helpful, constructive legislation enacted.

Great Physician, if it is in Thy will, lay Thy hand on the body of Mr. Dulles.

This request I make conscientiously and sincerely in the name of my Lord, Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 336. Joint resolution making a supplemental appropriation for the Department of Labor for the fiscal year 1959, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1455. An act to authorize the rental of cotton acreage allotments.

The message also announced that the Senate agrees to the amendment of the

House to a bill of the Senate of the following title:

S. 1096. An act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction and equipment, and for other purposes.

UNITED STATES OF AMERICA v. THURMAN A. WHITESIDE ET AL.

The SPEAKER laid before the House the following communication:

APRIL 15, 1959.

The Honorable the SPEAKER,
House of Representatives.

Sir: From the U.S. District Court for the District of Columbia, I have received a subpoena duces tecum, directed to me as Clerk of the House of Representatives, to appear before said court as a witness in the case of the *United States v. Thurman A. Whiteside, et al.* (No. 856-58), and to bring with me certain and sundry papers therein described in the files of the House of Representatives.

The rules and practice of the House of Representatives indicates that the Clerk may not, either voluntarily or in obedience to a subpoena duces tecum, produce such papers without the consent of the House being first obtained. It is further indicated that he may not supply copies of certain of the documents and papers requested without consent.

The subpoena in question is herewith, and the matter is presented for such action as the House in its wisdom may see fit to take.

Respectfully yours,

RALPH R. ROBERTS,

Clerk, U.S. House of Representatives.

The SPEAKER. The Clerk will read the subpoena.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. McCORMACK. Will the gentleman withhold that so that I may offer a resolution?

Mr. GROSS. No. Mr. Speaker, I insist on my point of order.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 29]

Andersen,	Holland	Rhodes, Ariz.
Minn.	Huddleston	Rooney
Baring	Kearns	Rostenkowski
Baumhart	Keogh	Roush
Blatnik	Kowalski	Santangelo
Bonner	Meador	Scott
Buckley	Morrow	Simpson, Pa.
Carnahan	Miller	Smith, Kans.
Cramer	George P.	Stubblefield
Daddario	Mitchell	Teague, Tex.
Davis, Tenn.	Moeller	Teller
Dent	Monagan	Tollefson
Diggs	Moorhead	Van Pelt
Downing	Moulder	Weis
Gialmo	Multer	Whitener
Gray	Norblad	Whitten
Griffin	Norrell	Williams
Harris	Pilcher	Wilson
Hechler	Polk	Winstead
Hoffman, Ill.	Powell	Wolf
Holifield	Quigley	

The SPEAKER. On this rollcall 361 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

UNITED STATES OF AMERICA v. THURMAN A. WHITESIDE ET AL.

The SPEAKER. The Clerk will read the subpoena.

The Clerk read as follows:

U.S. DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA v. THURMAN A. WHITESIDE, ET AL., DEFENDANTS.—No. 856-58

To Ralph Roberts, Clerk, U.S. House of Representatives, Washington, D.C.:

You are hereby commanded to appear in the U.S. District Court for the District of Columbia at 3d and Constitution Avenue NW., fourth floor, courtroom 8, in the city of Washington, on the 20th day of April 1959, at 9:45 o'clock a.m., to testify in the case of *United States v. Thurman A. Whiteside* and bring with you all records as per the attached list.

A Summary of contents of Harris committee files.

B. Fitzgerald memorandums re Foster trust:

Fitzgerald memo re Foster trust negotiations with Whiteside, March 9, 1956, and telephone conversation with Whiteside March 12, 1956.

Fitzgerald memo re Foster trust, March 28, 1956.

Fitzgerald memo of Foster trust settlement.

C. Harris committee correspondence:

Anderson-Harris letter, February 7, 1958.

Katzentine-Moulder letter, July 24, 1957.

Kefauver-Moulder, June 28, 1957.

Kefauver-Harris letter, February 26, 1958.

Kefauver-Harris letter, March 10, 1958.

Mack-Moulder letter, February 8, 1958.

Magnuson-Harris letter, March 5, 1958.

Schoepel-Harris letter, March 5, 1958.

Scott-Harris letter, February 9, 1958.

Smathers-Harris letter, March 5, 1958.

Steinmeyer-Harris letter, February 27, 1958, with enclosure of papers relating to real estate transaction of Steinmeyer and Mack.

D. Mack bank statements:

Mack deposits in Munsey Trust Co.

Mack: Bank deposits in First National Bank, Fort Lauderdale, July 1, 1955-February 10, 1958.

Mack: Bank records of checks over \$200 drawn on First National Bank, Fort Lauderdale, June 30, 1955-October 31, 1957.

E. Katzentine notes, memorandums, conversations:

Katzentine notes on Katzentine's affidavit of February 17, 1957.

Katzentine summary of channel 10 chronology, March 8, 1956.

Katzentine's (?) notes on chronology of channel 10, undated.

Analysis of channel 10 decision (presumably by Katzentine).

Memorandum re McCoaker-Prosser-Meritt-Katzentine conference re desirability of seeking TV station, March 23, 1951.

Katzentine memo on Foster trust negotiation, March 30, 1956.

Katzentine-Joe Adams telephone conversation, April 6, 1956.

Katzentine-Berke conversation, June 11, 1954.

Katzentine-Charlie Johns telephone conversation, April 6, 1956.

Katzentine-Prosser-Scott memorandum, December 1, 1955.

Katzentine memo of Storer-Prosser-Katzentine telephone conversation, December 1, 1952.

Katzentine memo on Whiteside telephone conversation, April 23, 1956.

F. Katzentine correspondence:

Katzentine-Childs letter, May 25, 1956.

Katzentine-Kefauver letter, June 6, 1955.

Katzentine-Kefauver letter, December 27, 1956.

Katzentine-Kefauver letter, January 21, 1957.

Katzentine-Kefauver letter, February 1, 1957.

Katzentine-Kefauver letter, June 4, 1957.

Katzentine-Moulder letter, July 24, 1957, photostat.

Katzentine-Moulder letter, July 24, 1957, carbon.

Katzentine-Porter letter, April 1, 1955.

Katzentine-Porter letter, November 22, 1955.

Katzentine-Porter letter, November 22, 1955.

Katzentine-Porter letter, December 23, 1955.

Katzentine-Porter letter, January 5, 1956.

Katzentine-Porter letter, February 24, 1956.

Katzentine-Porter letter, January 31, 1957.

Katzentine-Porter letter, February 15, 1957.

Katzentine-Porter letter, February 2(?) 1957.

Katzentine-Porter letter, March 7, 1957, with picture of Mrs. Baker and Mrs. Moore.

Holland-Katzentine letter, June 2, 1955.

Miller-Katzentine telegram, October 5, 1955.

Rice-Katzentine letter, November 4, 1955.

G. O'Hara-McLaughlin interviews at the FCC:

O'Hara-McLaughlin memo of interview with Craven, March 13, 1958.

O'Hara-McLaughlin memo of interview with Doerfer, March 13, 1958.

O'Hara-McLaughlin memo of interview with Hyde, March 13, 1958.

O'Hara-McLaughlin memo of interview with Lee, March 13, 1958.

H. Shacklette-Eastland interviews in Miami:

Shacklette-Eastland interview with Carter, January 8, 1958.

Shacklette-Eastland interview with Anderson, January 15, 1958.

Shacklette memo of Baker and Hardy interview, January 17, 1958.

Shacklette-Eastland-O'Hara interview with Mack, January 27, 1958.

Shacklette-Eastland memo of interview with Fuqua, January 13, 1958.

Shacklette memo of interview with Knight, December 21, 1957.

Shacklette interview of Palmer, December 11, 1957.

Shacklette-Eastland memo of interview with Scott, January 16, 1958.

Shacklette-Eastland memo of Sheldon interview, January 14, 1958.

Gloria C. Harkins statement to Shacklette, December 18, 1957.

Robert R. White statement to Shacklette, December 19, 1957.

I. Whiteside-Barber-Mack telephone records:

Summary of telephone calls, Whiteside to Mack.

Summary of telephone calls, Mack to Whiteside.

Summary of telephone calls, Barber to Whiteside.

Summary, Mack-Barber telephone calls to persons other than Whiteside.

Memorandum of transmittal of information re telephone calls.

J. Miscellaneous correspondence:

Barber-Whiteside letter, January 18, 1956.
Carter-FCC, July 18, 1951.
Carter-McDonald letter, January 10, 1955.
Holland-Katzentine letter, June 2, 1955.
Isberg-Pearson letter, January 25, 1957.
Kefauver-Harris letter 3, February 26, 1958.
Kefauver-Harris letter, March 10, 1958.
Kefauver-Katzentine letter, December 20, 1956.

Kefauver-Moulder letter, June 28, 1957.
Miller-Katzentine telegram, October 5, 1955.

Rice-Katzentine letter, November 4, 1955.
Rice-Katzentine letter, November 4, 1955.
Rice-Sullivan letter, October 6, 1955.
Rice-Sullivan letter, October 13, 1955.
Scott-Brown letter, February 14, 1957.
Smathers-Harris letter, March 5, 1958.
Smathers-Wilson letter typed on February 15, 1954, dictated on February 12, 1954.
Sullivan-Kefauver letter, July 26, 1955.

K. Miscellaneous memorandums and statements:

American Aviation Daily, February 6, 1957—clipping re Eastern intervention in channel 10 case.

Memorandum re Alterman Transport Lines loan to Mack (probably by Shacklette).

Fitzgerald (FCC) statement of reasons for delay in preparation of draft decision in channel 10 case.

Harkins memo of Sheldon-Katzentine telephone conversation, March 19, 1956.

Harkins, Gloria C., statement to Shacklette, December 18, 1957.

Mack campaigns, contributors.

Rice memorandum re Baker, May 24, 1956.
Summary of travel of Whiteside during 1957.

Memorandum (probably by Shacklette) re Foster trust, March 8, 1956.

White, Robert D., statement to Shacklette, dated June 2, 1955.

L. Berger-Wachtell-Gelman memorandums:

Berger-Gelman memo on review of National Airlines files, January 17, 1958.

Berger-Wachtell interview with Mack on January 14, 1958, dated January 15, 1958.

Berger-Wachtell memo re interview with Mack on January 17, 1958, dated January 20, 1958.

Berger memo re review of materials on file at FCC, dated February 5, 1958.

Wachtell memo re FCC-Miami channel 10 case, dated February 6, 1958 (Wachtell-Eastland interview with Harry Plotkin).

Wachtell memo re FCC-Miami channel 10 case, dated February 7, 1958 (Wachtell-Eastland interview with Paul Porter).

Memo note re Roy Cohn, undated, originator of memo unknown.

This subpoena is issued upon application of the defendant.

HARRY M. HULL,

Clerk.

By LAWRENCE PROCTOR,

Deputy Clerk.

APRIL 1959.

ARTHUR HILLAND,

Attorney for Defendant Thurman A. Whiteside.

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Res. 246) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas in the case of *United States v. Thurman A. Whiteside et al.* (criminal case No. 856-58), pending in the U.S. District Court for the District of Columbia, a subpoena duces tecum was issued by the said court and addressed to Ralph R. Roberts, Clerk of the House of Representatives, directing him to appear as a witness before said court at 9:45 antemeridian on the 20th day of April 1959, and to bring with him certain and sundry papers in the possession and under the control of the House of Representatives: Therefore, be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice, or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That Ralph R. Roberts, Clerk of the House, be authorized to appear at the place and before the court named in the subpoena duces tecum before-mentioned, but shall not take with him any papers or documents on file in his office or under his control or in possession of the House of Representatives; be it further

Resolved, That when said court determines upon the materiality and the relevancy of the papers and documents called for in the subpoena duces tecum, then the said court, through any of its officers or agents, have full permission to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House and take copies of any documents or papers and the Clerk is authorized to supply certified copies of such documents and papers in possession or control of said Clerk that the court has found to be material and relevant, except minutes and transcripts of executive sessions, and any evidence of witnesses in respect thereto which the court or other proper officer thereof shall desire, so as, however, the possession of said documents and papers by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under said Clerk; and be it further

Resolved, That a copy of these resolutions be transmitted to the said court as a respectful answer to the subpoena aforementioned.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING MILITARY CONSTRUCTION

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 245 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such

amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and, pending that, I yield myself such time as I may consume.

Mr. Chairman, as the reading of the resolution indicates, it makes in order the consideration of H.R. 5674, familiarly known as the military public-works authorization bill.

This is an open rule and provides for 2 hours of general debate.

In appearing before the Committee on Rules, the distinguished gentleman from Georgia [Mr. VINSON], the chairman of the Committee on Armed Services, gave a very detailed and excellent report of what the Committee on Armed Services had done in examining the requests of the Department of Defense for this authorization.

It is my opinion that the committee has done an excellent job. I am convinced from what the distinguished gentleman from Georgia, the chairman of the Committee on Armed Services, presented to the Committee on Rules, and from a careful examination of the report of the committee on H.R. 5674, that this is a well-considered bill and one which has been carefully studied by the Committee on Armed Services.

When the first requests came in from the field offices of the military departments outlining the needs of the various facilities, both in this country and outside this country, they totaled over \$4 billion. In turn, they were reduced by the military departments in the Pentagon to \$2,130,604,000. A review of the Office of the Assistant Secretary of Defense for Properties and Installations reduced this figure to \$1,368,554,000, which was further reduced to \$1,299,297,000 by the Bureau of the Budget.

After the Committee on Armed Services finished with its examination of this request from the Bureau of the Budget and the Department of Defense, the committee further reduced, and it now comes to us \$109,247,000 under the budget. The total authorization for new construction called for in titles I, II, and III of this bill amounts to \$1,190,050,000.

Added to this figure should be the amount of \$57,128,000 recommended in title V of this bill by the committee for construction of facilities for each of the Reserve components and that for deficiency authorizations of \$560,000. This brings the total authorization called for in the bill to \$1,251,907,000.

I congratulate the chairman and the members of the Committee on Armed Services for the excellent job it has done. In reporting out H.R. 5674, the committee issued a unanimous report favoring its adoption.

I urge adoption of this resolution.

Mr. ALLEN. Mr. Speaker, I know of no opposition to the consideration of this bill, and I reserve the balance of my time.

Mr. THORNBERRY. Mr. Speaker, I yield 7 minutes to the distinguished ma-

majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, every one of us are very sorry at the resignation of John Foster Dulles as Secretary of State. John Foster Dulles is a remarkable man, one whom I admire very much. He and I have been sort of kindred spirits in connection with the fundamental problems that confront the world of today. Not that I am associating myself with him from the angle of trying to enhance myself, but it happens that he and I, on fundamental policies concerning our country, looked pretty much eye to eye.

I admired him not only for his great capacity, but for his determination and his strong willpower, and for the great moral courage he has always displayed. Whether one agreed with him or not on every one of his policies, everyone knows that he is a dedicated American and that the policies that he devised or helped to devise he felt were for the best interests of our country. He will go down in history, in my opinion, as one of the outstanding Secretaries of States of our great Nation.

During this trying period in the world's history he has served as a bulwark of strength not only to our country but to the nations of the world who want to be free under their own law. He was always a constant hope to the hundreds of millions of captive citizens or residents of satellite nations who are subject to Communist viciousness and dictatorship but who are hoping for the early return of their liberties and of the independence of their country.

I am glad to note that President Eisenhower will continue to look to him for advice and will continue to consult with him. We all hope that God will shower his blessings upon him and improve his health so that he will be with us for many years to come, and that he will be able to give to President Eisenhower and to our country, in the trying days ahead the benefit of his great capacity, his strength of character, and of his moral courage.

John Foster Dulles knows the Communist mind. He knows the origin of the thinking of the Communists. And, unless one knows the origin of the thinking of the Communists he is going to be deceived by what they say and what they do. John Foster Dulles knows that Communist thinking—and I am talking about the Communists in fact, those in the Kremlin and other Communists in fact—originates in one word.

That word is "hate"—the idea that might is right, the grave is the end, the state is all-powerful, the individual is only a cog in the wheel of state to be used as those in control, the dictator and the clique around him, want to use him.

Unless one understands the origin of the thinking of the Communist mind he will be deceived by what they say and

what they do. John Foster Dulles knows the origin of the Communist thinking, the hate that dominates their minds. They are the prisoners of an ideology that emanates from hate, hatred of everything that is contrary to what they want and what they believe in, their false ideology.

I think the finest evidence of John Foster Dulles' greatness is the fact that the Kremlin fears him, because any man the Kremlin fears must possess qualities that are of the highest nature from the angle of those who want freedom under their own law.

I hope the successor of John Foster Dulles, appointed by the President and confirmed by the Senate, will follow the policy of firmness that John Foster Dulles so well exemplified, many times under trying conditions when he was misunderstood. I hope that in the Foreign Ministers meeting we will insist, as the President has said and as John Foster Dulles has so well said, on evidence of progress being made before we enter into the summit meeting, for John Foster Dulles, as I know him and read him, would never stand for a summit meeting at any price. To me, that would be a dangerous role for the free world to follow. I hope our country will adhere to that policy, and I hope his successor, whoever may be appointed, will have the firmness and the moral courage that John Foster Dulles possesses.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. HALLECK. May I commend the majority leader on the very splendid statement he has made. We all realize the sentiment that prompts it. We all realize the admiration and the respect that is involved in what he has just said. It is further evidence of the fact that when matters involving the security of our country, our foreign policy, are before us, there is no center aisle to divide us.

May I say further, Mr. Speaker, that on yesterday on the floor I had a few words to say of respect, admiration, and gratitude for John Foster Dulles, so I shall not say anything further at this time. However, I did want to commend the gentleman on the admirable statement he has just made.

Mr. McCORMACK. I appreciate what my friend has said. What I have said represents not only my own views. I try to be objective-minded. I have watched John Foster Dulles through the years, and my admiration for him has increased and increased. My feeling has progressed from one that was not so favorable to him to one of intense admiration as I have watched the man, as I have analyzed his mind and seen his grim determination and great courage, all for the national interest of our country. So I express not only my own views but I am confident I express those not of Democrats or Republicans in this House but of all of us as Americans.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5674, with Mr. SMITH of Mississippi in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Georgia [Mr. VINSON] will be recognized for 1 hour, and the gentleman from Illinois [Mr. ARENDS] will be recognized for 1 hour.

The Chair recognizes the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, I yield myself such time as I may require.

Mr. VINSON. Mr. Chairman, this bill, H.R. 5674, is known as the military construction authorization bill for fiscal year 1960.

This is strictly an authorization bill. The grand total of all authorities granted in the bill is \$1,251,907,000.

Now, this total is made up of a number of elements and is broken down as follows: Army, \$199,045,000; Navy, \$182,283,000; Air Force, \$808,722,000; Reserve components, \$57,128,000; deficiency authorization, \$4,729,000.

As I stated a moment ago, the grand total of all these authorities is \$1,251,907,000.

Let me call your attention to the fact that these deficiency authorizations, totaling \$4.7 million, represents increases in cost for previously authorized projects. Either the original estimate of cost was too low or it is attributable to a rise in cost.

I might say in this connection, I am pleased to draw your attention to the fact that 2 years ago, the deficiency authorization was \$183 million. And last year it was \$43 million. This indicates that the construction programs being submitted by the Department of Defense are better planned and better thought out than they have been in the past.

RESCISSIONS

Also in the past, there was a great gap between authorizations and appropriations. This the committee felt was unwise. I am happy to report that an automatic repealer provision which we placed in the bill several years ago and which has appeared in it each year since is bringing these authorizations and appropriations into reasonable balance today.

Here is how they line up: Unfunded authorization at the end of fiscal 1957 was almost \$2.2 billion. At the end of fiscal 1958, the figure was \$1.9 billion. The estimated amount of unfunded authorization at the end of this fiscal year—1959—is about \$1 billion.

I am glad to state that the Department estimates that the amount of unfunded authorization which will be available at the end of fiscal year 1960 will be only about \$444 million.

APPROPRIATIONS TO BE REQUESTED

For this construction, the Department of Defense is requesting from the Appropriations Committee \$1,479 million for the Regular Forces and \$61 million for the Reserve construction. This figure, of course, is somewhat larger than the bill and this is explained by the fact that some previous authority is also being funded this year.

Now, this construction bill and the justification for it is, of course, a reflection of the size of our Armed Forces. This year, it is based on 870,000 men in the Army, 864 ships in the Navy, and 102 wings authorized for June 30, 1960, for the Air Force.

Each of the services has its physical plant requirement which, together with the men and the weapons, makes up the total of our defense. The physical plant is an absolutely essential part of the defense structure and it must be improved, added to, and kept modern all of the time.

Now, a bill of this kind has its origin in the requests made by the field establishments of the three services. It is then submitted through channels to the particular military department headquarters in Washington. That department reviews it and it is finally submitted to the Secretary of the military department for his approval. The program then goes to the Secretary of Defense, and specifically to the Assistant Secretary of Defense for Properties and Installations, a position now very competently held by Mr. Floyd S. Bryant.

Mr. Bryant's job is to review and coordinate all of the military construction programs, making certain, for example, that facilities of one service that are not now being used to full capacity be used by another service. This office takes the overall view of the total construction program.

Following this process this year from a dollar standpoint, the picture is this: The field offices of the three departments made requests for construction totaling over \$4 billion. This was cut by the military departments themselves to about \$2,131 million. Mr. Bryant's office cut this figure to \$1,368 million and the review by the Bureau of the Budget resulted in a bill of only \$1,299,297,000.

The committee, after its close and detailed scrutiny of the bill by line item, cut \$109 million from the program so that the bill which you have before you now represents a total of \$1,190,050,000.

All of the figures that I have just given refer to the program for the Regular establishment. The Reserve portion of the bill, which totals about \$57 million, remained pretty stable throughout the reviews and I, therefore, have not injected it into this overall picture.

The bill contains almost 2,000 individual line items. These line items are carried in what are called backup books and I have brought one of these books—only one of them—today in order that you can have some idea of the amount of detailed study which goes into one of these bills. This particular book has 347 pages and it is only 1 of 10 books.

I know you realize that it would be impossible for me to go into any great

detail with respect to a program of this size within the limitations of time allotted for the consideration of this bill. Indeed, it would take as long for me to explain it in that fashion as it took the committee to study it during its hearings.

Therefore, I will deal with some of the highlights of the program in order to make the general picture clear.

Of the total amount requested, over \$400 million, or 31 percent, is in direct support of our ballistic missile programs of the three services. Approximately \$266 million, or 20 percent, is for expanding air defense systems; \$223 million, or 17 percent, is to support research and development and missile defense; and \$110 million, or 10 percent, is to improve the capabilities of the Strategic Air Command.

This does not total 100 percent but gives the major portions of the total bill.

I would also like to describe the highlights of the programs for each of the three military departments. Prior to doing that, however, I would like to point out one important fact which goes directly to the question of construction costs, and that is, that 96 percent of all the construction contracts let by the military departments during fiscal year 1958 were on a bid basis.

The competition is strong and the prospective contractors make the closest possible estimates in order to get the jobs. There is no greater assurance, to my mind, of getting a dollar's worth of construction for a dollar spent than this bid process.

ARMY

Let us look first at the Army program. Almost 30 percent, or \$67 million, is for facilities in support of research, development, and test activities of the Nike-Zeus program. Over 21 percent, or almost \$50 million, is for the construction of Nike-Hercules, Hawk, and Missile Master facilities in the United States and overseas. The other percentages are all relatively small and I will describe only a few of them.

Six percent, or \$14 million, is for maintenance and storage facilities at major existing installations in the United States and overseas. Almost 5 percent is for essential utilities at our major installations within the United States. These utilities include emergency powerplants, heating systems, sewage disposal, storm drainage, roads, and other such items.

Only 4 percent of the Army program is devoted to service clubs, chapels, schools, and other similar facilities.

NAVY

The Navy program has no individual large percentage breakdowns. The largest, as a matter of fact, is 18 percent, or \$35 million, to support aircraft carriers of the carrier striking force. Fifteen percent, or almost \$30 million, is for barracks and bachelor officers quarters and their allied facilities. Fourteen percent, or almost \$28 million, is devoted to missile programs and particularly, those related to the Pacific Missile Range, Point Mugu, Calif.

All of the other percentages are relatively small. Typical of them is \$11 million or 6 percent for construction in connection with the eastward extension of the distant early warning line.

AIR FORCE

By far the large portion of the Air Force program is represented by construction in support of ballistic missiles. This comprises 43 percent, or \$374 million, of the Air Force total.

Almost 9 percent—or \$77 million—is for construction of facilities within the United States to support the Strategic Air Command.

Four percent—or \$34 million—relates to construction for fighter interceptor squadrons at bases in and outside the United States.

The next largest percentage is only 3.8 percent—or \$44½ million—for work in support of the ballistic missile early warning system.

All the remaining divisions of the program are in the 1 to 3 percent category.

Let me say that in reviewing the requirements of the Air Force, we are trying to take into consideration that in the course of time, manpowered aircraft will gradually fade away like the battleship faded away for the aircraft carrier. It is our hope and expectation that many of these installations can be used in the missile era without requiring any construction of a support or logistic nature.

I might say at this point that all of these breakdowns which I have given are dealt with in very much greater detail in the report. I feel that almost any question which might arise in your mind can find its answer in the report which has numerous headings and clearly understandable divisions.

LAND

Last year when I was presenting this bill, I stated that I was happy to announce that the land acquisition contemplated by the bill was the smallest in many years. This year, I can state that the program is even smaller than last year, totaling only 3,062 acres in fee and 1,302 acres in easements for a total cost of \$2,086,000. In this connection, and knowing of the strong interest that we all have in the land holdings of the military departments, I would like to direct your attention to page 30 of the report which deals with this subject in some detail.

From this portion of the report, it is clear that every effort is being made to keep land acquisitions at a minimum while disposing of the maximum amount of defense real estate, consistent, of course, with our continuing needs.

Also, relating to this matter of real estate are some interesting facts set out on page 32 of the report which illustrates how existing installations belonging to one military department are being made available to another military department. You will see several typical recent examples of how well this exchange of properties is working out.

NEW BASES

I am happy to advise again this year that there are no truly new bases in the program. There are, of course, some

new radar stations and similar facilities but no major bases of any kind have been added to the inventory by this bill.

FAMILY HOUSING

The family housing program is progressing in quite satisfactory fashion. Where there were over 50,000 Capehart units last year, there are only 20,676 units this year. And as for appropriated fund housing, where there were 935 last year, there are only 473 this year.

COMMITTEE CHANGES

I mentioned previously the great number of line items in this bill—almost 2,000 of them. The bill which you have before you, of course, is a clean bill with only a few last minute amendments, almost all of which are merely to correct typographical errors.

The bill on which the committee held its hearings, however, was amended in over 70 instances and as I have said, virtually all of these amendments were by way of reductions in the program—over \$109 million of them.

RESERVE COMPONENTS

Title V of the bill will provide specific line item project authorization for fiscal year 1960 for each of the Reserve components in the following amounts: Naval and Marine Corps Reserves, \$8,300,000; Air Force Reserve, \$4,093,000; Air National Guard, \$15,536,000; Army Reserve, \$20,748,000; Army National Guard, \$8,451,000; for a total authorization of \$57,128,000.

In addition, this title provides for the correction of deficiencies in cost estimates for several items authorized by the Reserve Forces Facilities Act of 1958—title VI of last year's military construction bill—amounting to \$560,000, and for a rescission of \$2,022,000 of previous authorization of projects no longer required by the respective Reserve components because of reprogramming.

The Department of Defense had requested a total of \$56,995,000 of authorization for new projects during fiscal year 1960. The Committee on Armed Services carefully screened these requests in connection with its review of the total requirements of the Reserve forces facilities program and concluded that the requests were well justified and the progress of the entire program satisfactory.

Accordingly the committee approved the entire program requested by the Department of Defense and added two minor additions amounting to \$135,000.

The proposed authorization provided for the Reserve components for fiscal year 1960, therefore, is \$57,128,000.

CONCLUSION

Now, that is the military construction bill for fiscal year 1960. While I have dealt only with the highlights of the bill, I hope that my remarks coupled with the very detailed report, will give you a picture sufficiently clear to warrant your support of this important legislation.

This bill merely represents one of the three essential elements of our Defense Establishment—construction—the other two, of course, being the men and the equipment.

This bill does nothing more than provide the essential construction items

needed to provide a base from which our forces can fight both in this country and overseas.

I have noted the fact that a great many details relating to the program are contained in the report which is available to every Member. The hearings have been printed and are also available. And, of course, they have even greater detail since this year the committee made a special effort to hold most of its hearings in open session. Almost all of the committee's deliberations are contained in the hearing. Only the highly classified details with respect to some of the items were heard in closed session.

Mr. Chairman, if I have not used the time allotted me, 20 minutes, I will be glad to yield to any Member for any question that he may wish to ask.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. I think the gentleman will anticipate my question because I have asked it every year for the last 9 or 10 years. Is there any money in this bill for the Truman Airbase at Grandview, Mo.?

Mr. VINSON. A few years ago, as a result of the constant inquiry by the gentleman and his calling it the Truman Air Force Base, we changed the name, not to mislead him, of course, because that could not be done, nor would we do that, but we felt that we should honor two outstanding officers who made the supreme sacrifice and it is now named after them. This place that used to be referred to in a most inquisitive manner by our able and distinguished colleague from Iowa no longer is known as Grandview, but it is Richards-Gebaur Air Force Base, Mo. Yes; there is some money in this bill for it. The total amount is \$866,000.

Mr. GROSS. But the distinguished gentleman from Georgia and the gentleman from Iowa will always remember it as the Truman Airbase.

Mr. VINSON. Yes. And, I want to compliment the gentleman on the scrutiny with which he has always followed this; scrutiny not only with reference to this bill but all other bills that come in the House. I know of no Member that is more diligent in studying legislation closely than my distinguished friend from Iowa.

Mr. GROSS. I thank the gentleman for his remarks and his kindness to me at all times.

Mr. VINSON. I mean every word of it.

Mr. GROSS. One other question. Has the Continental Air Command been moved to the Truman Airbase at Grandview, Mo.?

Mr. VINSON. No; it has not. This is an Air Defense Command base. The Continental Air Command stays at Mitchell Field, N.Y.

Mr. GROSS. I did not think it would ever be moved there.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I would like to ask the distinguished chairman of the committee about the item of \$10 million for the North American Air Defense Command which was contained in his original bill. I note this item was eliminated in the revised bill.

Mr. VINSON. I will be glad to inform the gentleman and the committee. When that matter was before the committee it had not been specifically located, and we were not warranted in spending money for bases where we do not know where they would be located. So, we hesitated and we did not make any appropriation. Now I understand it has been located. We did not include it in the bill. No doubt it might be considered for insertion after a hearing is had on the other side.

Mr. CHENOWETH. On March 20 it was announced that the new headquarters would be located in Cheyenne Mountain, near Colorado Springs.

Mr. VINSON. That was long after we had concluded our hearings and reported the bill.

Mr. CHENOWETH. The gentleman referred to waiting until the bill is considered in the Senate.

Mr. VINSON. I suggest that would be the proper way to consider the matter. We were not able to consider it because it had not been located.

Mr. CHENOWETH. The gentleman is not opposed to the item, then?

Mr. VINSON. No.

Mr. CHENOWETH. And the only reason it was passed over was because the site had not been announced at the time the hearings were held.

Mr. VINSON. That is right. After the facts are brought out in the Senate, I am sure it will be taken care of.

Mr. CHENOWETH. I thank the gentleman.

Mrs. GRIFFITHS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Michigan.

Mrs. GRIFFITHS. I would like to ask the gentleman from Georgia if there is money in this bill to change the Nike bases to receive another type of missile.

Mr. VINSON. On that general subject I would like to say this: It is to be expected that as aviation fades away over a period of time—and man-powered aircraft is bound in the course of time to fade away, just like the battleship faded away before the airplane carrier—missiles will come into being. It is to be hoped that practically all of these bases that are now used for man-operated aircraft can be appropriately used without additional expenditure to set them up specifically for missile bases. Did I answer the gentleman's question?

Mrs. GRIFFITHS. Is there money in the bill to change the Nike bases to receive another type of missile?

Mr. VINSON. I can recall nothing of that kind.

Mrs. GRIFFITHS. I thank the gentleman.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Ohio.

Mr. VANIK. In connection with military construction, to what extent are we using counterpart funds? Are we using them to the fullest extent possible?

Mr. VINSON. Of course, all I know about that is what I read in the papers when Members go abroad. We do not use counterpart funds. We use what is called Commodity Credit Corporation funds.

And that is in the bill with reference to certain construction abroad.

Mr. VANIK. In studying the provisions of the bill that deal with military housing construction abroad—

Mr. VINSON. That is Commodity Credit Corporation.

Mr. VANIK. I see there are limitations on room size and space size with respect to such expenditures that are made out of appropriated funds.

Mr. VINSON. There are appropriated fund houses in this bill. We prescribe how much money is involved and the types of the housing. There are also certain restrictions with reference to Capehart houses, and these appear in the basic Capehart law.

Mr. VANIK. Would that limitation preclude the use of counterpart funds for construction? Would it permit such construction outside of those limitations set forth in this bill?

Mr. VINSON. No; they would not. I do not want the gentleman to confuse his thinking between counterpart funds and Commodity Credit Corporation funds.

Mr. VANIK. I understand the distinction.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman.

Mr. GROSS. I am pleased to hear the gentleman call attention to the fact that Public Law 480 funds are being used for defense purposes in foreign countries.

Mr. VINSON. Oh, yes.

Mr. GROSS. Which means inversely that this is another subsidy which should not be charged in full to the farmers of America.

Mr. VINSON. We do a great deal of work abroad through what is known as Commodity Credit Corporation funds.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman.

Mr. TEAGUE of California. In the Capehart housing field did the committee in any instance deviate from the request or the recommendations of the Department of Defense, or did the committee go along?

Mr. VINSON. Very little change. However, since the committee reported the bill, there have been three bases, but they do not increase the amount of dollars at all. They involve housing at bases that have been cleared by the Budget, and at the proper time I propose to offer an amendment to include these Capehart houses. When the bill was written up, they were not included. These places are 200 units at Quantico, 114 units at Loring Air Force Base, and 600 units at Travis Air Force Base in California.

Mr. TEAGUE of California. I thank the gentleman.

Mr. VINSON. This does not increase the amount of money at all. Everyone understands that every married officer in the service is entitled to a quarters allowance. It averages about \$90 a month for all ranks. When they occupy a Capehart unit, or a direct-appropriated house, or any other Government facility, the quarters allowance is withheld. In the last 3 years we have been involved in about 152,000 units. When these houses are all paid for we will recover in the neighborhood of \$180 million a year.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. JONES of Missouri. I should like to ask the distinguished chairman of the committee one thing I do not quite understand. I know what "classified" is, and I can understand why that should be in the bill. But what is the difference between various locations, locations not specified, as compared with classified locations?

Mr. VINSON. I think the question is warranted since these terms could very well cause confusion.

Mr. JONES of Missouri. You have classified set out and I can understand that, but what would be the difference between a various location and a classified location?

Mr. VINSON. There frequently is no difference at all.

Mr. JONES of Missouri. I could not understand. We have three different entries here, and I could not see why you could not call them all classified. I was merely asking why you did not put them all under one group of classified rather than have them put under separate groups. That is what I could not understand.

Mr. VINSON. Generally speaking, "various locations," when so referred to in the Air Force portion of the bill, for example, relate to aircraft control and warning sites throughout the United States. There are a great number of these and many of them involve only minor items of construction. "Classified" installations, of course, speak for themselves. "Locations not specified" appears three times in the bill and relates to the authority that Congress is granting this year, and has granted in the past, for what I will call "emergency" construction. In other words, it is not known at this time how or where the authority would be used. Therefore, the locations are "not specified."

Mr. JONES of Missouri. I thank the gentleman.

Mr. ARENDS. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, the chairman of the committee has given a fine detailed description of what is in H.R. 5674 and the construction items that are contained in it.

First, as the chairman of the committee has indicated, the bill which is before us is to provide construction and other related authority for the military departments within and outside the United States including authority for the con-

struction of facilities for Reserve components. The total sum of the authorization contained in the bill is \$1,251,957,000. The Army would be authorized almost \$200 million, the Navy some \$183 million and the Air Force \$811 million, with a total of \$57 million for the various units of the Reserve forces.

I want to assure every Member of the House that the committee, during its consideration of this program, has made a detailed examination of the projects which make up the bill and the major programs which they support. We found, during our hearings, that this bill is the result of sound detailed planning in the three military departments. The program was given repeated reviews within each military department, followed by additional reviews within the Office of the Secretary of Defense and the Bureau of the Budget.

We found these reviews to be objective and thorough. As has been stated, the program originally presented by the field offices to the military departments totaled in excess of \$4 billion. After review and screening within the military departments, the Office of the Secretary of Defense, and the Bureau of the Budget, this amount was reduced to \$1.3 billion.

The committee during its review cut over \$109 million from the bill so that the total of the bill as you see it before you today is \$1,251,957,000.

The committee found that there has been great improvement in the formulation of military construction programs, and it took particular care to verify that all projects included in this bill were needed to support long-term future military plans and to eliminate items for which a compelling military necessity did not exist.

I think that the whole purpose of the bill could well be expressed by stating that it contains construction which, first, is necessary in the support of new weapons systems and new defense concepts; second, is needed in the augmentation of existing bases to support changes in weapons and operating concepts due to advancing technological development and third, is required to modernize supporting facilities against the ravages of time in order to assure adequate support at a time of urgent or emergency demand.

Needless to say, military construction is the basic support needed for military operations. For many of our major weapons and defense programs, military construction is the initial step in programming and budgetary actions because of long leadtimes necessary to produce completed usable facilities. Also, because of the nature of new weapons systems and operational concepts, base facilities are increasingly becoming an integral part of the weapons systems. This is illustrated in the missile operating forces. Therefore, it is vital that construction be planned and started well in advance, so as to be ready when the new weapons are finished.

It was entirely clear from the testimony taken by the committee during its extended hearings that the basic policy

of the Defense Department continues to have as principal elements, first, the consideration that our primary responsibility is that of protecting the ability of this country to retaliate with large weapons in case of an outbreak of general war; second, but equally pressing, the responsibility to provide a capacity to apply military force promptly in various local conflict areas of the free world, and, third, continuing a strong continental air defense and maintenance of open sealanes. The items in this bill support these policies.

As I stated at the beginning of my remarks, Mr. Chairman, the House has already heard the details of the bill from the chairman of the committee. I hold myself ready, as do all members of the committee, to answer any questions or provide any further information which any Member of the House may wish to have.

I will conclude on the note that the bill is a well-thought-out one, has received the closest study within the military departments, in the Office of the Secretary of Defense, and in the Bureau of the Budget. I think that the cuts made by the committee totaling \$109 million speak for themselves.

I urge your support for this bill as a vital link in the total picture of our defense.

Mr. VINSON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS of South Carolina. Mr. Chairman, I rise in support of H.R. 5674, and as chairman of the subcommittee which conducted extensive hearings on the authorization requested in H.R. 5674 for Reserve facility construction wish to take this opportunity to congratulate Mr. VINSON on his very thorough analysis of the bill and also to briefly review that portion of the legislation concerned with Reserve matters.

Title V of H.R. 5674 contained the authorization requested for the construction of new facilities for all of the Reserve components of the Army, Navy, and Air Force.

A total of \$57,128,000 of authorization for new projects, including expansions and alterations of existing facilities, has been requested. This total is divided as follows: \$20,748,000 for the Army Reserve; \$8,451,000 for the Army National Guard; \$8,300,000 for the Naval and Marine Corps Reserve; \$4,093,000 for the Air Force Reserve, and \$15,536,000 for the Air National Guard.

I would like to briefly review the substance of these requests by various components.

ARMY RESERVE

In the case of the Army Reserve, authorization of \$20,748,000 proposed for fiscal year 1960 comprises 62 new Army Reserve centers and approximately 75 projects of the nature of additions to present centers. Of the 62 new centers, 52 are the 2 smallest standard sizes—with capacities of 100 and 200 Reservists, respectively, and are proposed for the smaller cities and towns throughout the country. The proposed projects, other than the new centers, are mainly addi-

tions of training and vehicle maintenance space which have been found essential to the training program.

ARMY NATIONAL GUARD

For the Army National Guard, the proposed fiscal year 1960 authorization of \$8,451,000 comprises 47 new armories and 13 projects for conversion of present armories and 5 nonarmory projects which are maintenance and supply administrative facilities.

NAVAL AND MARINE CORPS RESERVE

Approximately half of the \$8.3 million of new project authorization proposal for the Reserve components of the Navy and Marine Corps were for essential additional facilities at established Naval Air Reserve installations which serve both Naval Reserve and Marine Corps Reserve aviation. The remainder is divided almost evenly between the Naval Surface Reserve, for five berthing piers and four training buildings, and the Marine Corps Reserve for five training centers.

AIR FORCE RESERVE

The relatively small request for the Air Force Reserve—\$4,093,000—was justified by the Department of Defense as being the result of prior substantial fulfillment of its most urgent requirements and consists of a variety of operational and support facilities at eight locations, four of which are municipal airports and the remainder jointly utilized military airfields.

AIR NATIONAL GUARD

For the Air National Guard, the authorization request of \$15,556,000 consists of high-priority requirements for the operation and support of the Air National Guard aircraft at 20 locations; 3 aircraft control and warning facilities, 2 of which are located in the Territory of Hawaii; and site preparation for one new airfield. Of the 20 flying installations 16 are at civil airports and 4 at jointly utilized military airfields.

In summary, it would appear at first blush that the authorization requested for the Army Reserve program of \$20,748,000 is disproportionately higher than the amounts requested for the other Reserve components. However, although this authorization for fiscal year 1960 is indeed higher than that requested for the other Reserve components it is not disproportionate since it reflects the fact that the Army Reserve program has to date only achieved 35 percent of its total estimated facilities requirement whereas the Navy has accomplished 47 percent of its requirements, the Air Force Reserve and National Guard approximately 75 percent of its requirements, and the Army National Guard approximately 85 percent of its total estimated requirements.

Thus, the emphasis on Army Reserve facilities is made necessary by the fact that the program is appreciably behind the others in development. This lag in development is directly the result of a lack of Army Reserve personnel prior to 1955. However, since the passage of the Reserve Forces Act of 1955 by the Congress, which was designed to strengthen the Reserve forces of the United States, the strength of the Army

Reserve program has increased significantly with the consequent necessity for new facilities not previously required.

In respect to overall estimated requirements of the Reserve facilities program, the Department of Defense has indicated that a total authorization of \$1,125 million will be required to provide all the facilities believed necessary for the Reserve components.

Approximately 60 percent of this required authorization amounting to \$668 million has already been approved by the Congress and enacted into law.

The current bill will authorize an additional \$57,128,000 of authorization thus increasing the percentage of authorization of total estimated requirements to 65 percent.

The balance of 35 percent of future estimated requirements will be met by future legislation and, as witnesses from the Department of Defense have indicated, will be requested by the Department of Defense in amounts necessarily in step with future individual program requirements.

In this connection the committee explored the possibility of accelerating completion of the Reserve forces program by increasing the total dollar authorization for the construction of Reserve facilities during fiscal year 1960. However, after considerable deliberation the committee was of the opinion that the total authorization requested by the Department of Defense was adequate for the program and properly geared to future manpower and training requirements.

Therefore, the committee concluded that any substantial increase in Reserve facilities authorization would be premature and therefore in addition to failing to serve any useful purpose might possibly disrupt the orderly development of the overall Reserve program.

For these reasons the Committee on Armed Services approved the request of the Department of Defense for approximately \$57 million of authorization for Reserve facilities construction without making any substantial changes.

I therefore urge unanimous support of this bill, since it will, among other things, permit the continued strengthening of our Reserve forces.

Mr. ARENDS. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, at this time I would like to speak about the Army's military public works authorization program.

The survival of this Nation and of the free world demands that we have a means to deter aggression or to defeat it if deterrence fails. Aggression may occur in many forms, from the massive thermonuclear attack on this continent to the peaceful seizure of free government by subversion.

The worldwide threat of aggression has its source in ambitious and ruthless Communist designs to isolate and destroy the United States, the center of free world resistance to Communist world domination. It is backed by the ominous and impressive military power of the Soviet Union, its allies, and its

satellites, built around the largest standing armies in peacetime history and buttressed by a growing capability to deliver long-range nuclear weapons. This great military power casts its foreboding shadow over all Europe and Asia and under this protective cover the Communists have engaged in ceaseless probings to test the will of the free nations to resist. This power has been felt directly or indirectly in most of the 18 military conflicts that have occurred since the end of World War II. In every case the Communists have fought for limited objectives and their threats to world peace have been so indirect and ambiguous as not to provoke a general thermonuclear war. They have advanced by internal subversion and piecemeal military operations based primarily on ground forces.

The Army's construction authorization request for fiscal year 1960, which is contained in title I of H.R. 5674, represents the most modest requirement which could support the Army's missions and responsibilities in these troubled times. This Army request should by no means be construed as representing everything the Army feels that it needs. In truth, it is my understanding that this modest request represents only about one-fifth of what the Army's commanders requested to carry out their assigned missions. These commanders' requests were rigidly screened within the Army before the Army presented its request to the Department of Defense. That agency and the Bureau of the Budget, operating within a prescribed and austere budgetary ceiling, made further reductions in the request so that the amount finally considered by the committee amounted to little more than a half of what the Army considered as their minimal needs.

I do not wish to belabor this point, but I believe it is important to understand that this Army request has been developed and reviewed under a most critical and restrained set of guidelines.

Now, if I may, I would like to recount for you some of the more impressive contributions to our mutual safety which these Army requests will buy for us.

The most important of the Army's tasks today include the maintenance of forces overseas in support of our national policies and international commitments with our allies, furnishing of surface-to-air missile defense for the United States and our forces deployed overseas, and provision of a mobile combat-ready strategic force here in the United States for rapid reinforcement of our deployed forces in time of need.

In carrying out its assigned responsibilities and missions overseas the Army is maintaining 40 percent of its Active Army Forces in various areas of the world. To support these units and their tasks, the Army has allocated, exclusive of surface-to-air missile requirements, some \$35.6 million, or 17.8 percent of the total request.

In the field of surface-to-air missile defense the Army has been assigned a broad and vital role in the maintenance of an effective air defense complex which will protect our industrial and population centers as well as our retaliatory

forces and the field Army Forces at home and overseas. Effective and efficient fulfillment of this mission is vital to our survival. To reinforce its capabilities in this field the Army has devoted 61.5 percent or \$123.1 million of the total authorization requested. A major portion of this requirement is devoted to research, development, and test facilities for the Nike-Zeus antiballistic missile defense system presently under development.

Without detracting from the urgent requirements of our deterrent and defense forces, I would like to mention the increasingly important contribution to the Army's capabilities that are inherent in Army aviation. The Army, within the limitations placed upon it, has developed a family of Army aircraft which fulfills missions of observation, airlift for troops and combat supplies in the battle zone, communications and battlefield surveillance and battlefield casualty evacuation. These missions are separate and distinct from the broader responsibilities of the Air Force. Additionally they are developing and testing new forms of aerial transport, including such projects as tilt-wing aircraft and the flying jeep. For support of these activities and to provide the operational and maintenance facilities for aircraft now with the field forces, the Army has apportioned 3.8 percent or \$7.7 million of the total requested in this bill.

Now departing for the moment from the military hardware aspects of this request, I want to address myself to another very important segment of this program dealing with the Army's pressing needs for family housing.

With regard to family housing to be authorized by this bill, it should be noted that although the Army has made good progress in providing adequate family housing during the last 3 years, the provision of additional adequate family housing is still one of the most pressing problems facing the military services today. I have taken a personal interest in the provision of family housing for our military people, and feel strongly that the Congress should leave nothing undone to provide satisfactory housing for all of our military families.

This bill provides new authorization for 7,399 units of title VIII Capehart housing, 338 units of appropriated fund housing in areas where Capehart or surplus commodity housing is not feasible, and 557 units of surplus commodity housing. In addition, the bill also provides for the continuation of prior authorization for 234 units of appropriated fund housing. In developing the family housing construction projects in this bill, full consideration was given to the use of available adequate community support and private rental housing.

Let me remind you that the provision of adequate family housing ranks high among the motivating factors for the retention of trained military personnel in the Armed Forces, and in maintaining the high morale so necessary in the world of today.

This military public-works authorization program is only a small supporting authorization for the overall need of the

Army. I would like to discuss briefly the crying need for modernization within our Army forces.

The United States emerged from World War II with the best equipped Army in the world. However, our Army has been greatly cut in strength and the majority of its major items of equipment have become obsolescent because of the lack of funds to modernize equipment and to replace wornout equipment. Today there is an urgent need for the modernization of the major items of Army equipment. General Taylor, the Army Chief of Staff, has testified that the limited funds for Army modernization is one of his principal reservations as to the adequacy of the defense budget for fiscal year 1960.

This need arises from two major circumstances: First, the rapid pace of technological advance over the past decade, and, second, the large, well-equipped, and modern ground forces of the Soviet Union and its satellites. Yesterday's weapons are today's second best, and tomorrow they may be obsolete. Recognizing this, the Soviet Union has been continuously modernizing its ground forces since the end of World War II. Their modernization program is the result of a thorough and well-conceived plan carried out without major deviation over the past decade. The program has been supported by a high and stable production rate that permits prompt replacement of normal losses and obsolescence, and transfer of increasing quantities of modern equipment of satellite armies and a smooth transition to wartime production.

The Soviet Army has been able to modernize and expand its weapons inventory. It has sufficient stocks of modern materiel to equip an active force of 175 divisions and to support it indefinitely in combat. Their equipment includes the means for fighting either nuclear or conventional wars anywhere on the Eurasian or Middle East land mass. Quality-wise they about equal our modern equipment; they lag behind us in some items; have drawn even in others; and surpass us in still others. Quantity-wise they overmatch us by a margin of 5 to 1.

Because of high and stable production rates, some major items of Soviet Army equipment have recently entered the second modernization cycle since World War II. For example, medium and heavy tanks, armored personnel carriers, trucks, and rocket launchers are now in the second round of modernization.

In the light of the Soviet progress, which is also being reflected in the growing materiel strength of their satellite countries, it is of paramount importance to modernize the equipment of the U.S. Army as rapidly as feasible. Because of reduced funds, U.S. Army weapons inventories have declined since the end of the Korean war and only limited improvements have been made in its quality.

The Army's concept of a versatile ground force that would be capable of delivering flexible and discriminating firepower upon hostile targets in limited or all-out war was built into its pentomic organization. Units organized under

this concept, if adequately equipped, would comprise a highly mobile, flexible force capable of carrying out combat missions ranging from prompt suppression of local aggression to the conduct of major ground operations in a general thermonuclear war.

The field army of today requires continuous modernization of firepower, mobility, communications, and surveillance equipment, and of logistical support. General Hodes, the Army Commander in Europe, has testified that our ground combat forces urgently need the new medium tank with its heavier gun and diesel engine. They need the Hawk—the homing-all-the-way-killer-missile—which can engage and destroy supersonic aircraft whether flying at tree-top level or more than 6 miles above the ground. The Army has developed unmanned drones to obtain information on targets and movements deep within enemy territory and needs these drones so that it can effectively use such weapons as the Sergeant missile. For improved mobility, the Army must have the new M-113 aluminum armored personnel carrier with its greater speed and range. Also needed are greater quantities and improved models of such unglamorous but essential items as graders and bridge-building equipment to support combat operations.

The Army has developed a phased and reasonable plan for the modernization of its major equipment. As its highest priority objective, the Army proposes that equipment be modernized for its active divisions and for high priority reserve units to include sufficient materiel for combat support for the initial period of conflict, plus providing modern materiel in limited quantities to permit the continued training of the remainder of the reserve forces. To meet these objectives would require annual appropriations of about \$2.8 billion over a 5-year period. This is approximately double the amount provided in the budget for fiscal year 1960. This increase would provide arms and equipment as modern as those anywhere in the world and in sufficient quantities to allow our Army to carry out its mission in limited or general war as part of our defense team and its partnership with our allies.

We cannot expect that this relatively modest additional investment will permit our small Army by itself to turn back the 175-division Soviet Army. We do not propose to match the Soviet forces quantitatively. A modern Army, together with the great tactical capabilities of our Marine Corps, Navy, and Air Force, and in concert with our allies, can act promptly to suppress limited aggression that might otherwise lead to general war. It can fill a dangerous gap in our diversified deterrent forces upon which we must depend to forestall all kinds of Communist aggression.

If any of my colleagues still feel that there is little need for ground forces in this age of nuclear weapons and jet propulsion, let me refer them to the testimony of our military leaders before Congressional committees. Virtually all our military leaders agree that limited

war is the most likely form of future conflict. Both General Taylor and Admiral Burke have warned against overemphasis of the nuclear deterrent at the expense of other means of defense. The President himself has characterized an all-out nuclear war as unthinkable. We expect our allies, with our assistance, to maintain adequate ground forces and to provide modern equipment for them. Can we reasonably expect them to do this when we neglect our own Army? In fact, can we expect our alliances to survive at all in the face of Communist pressure if the only guarantee we can offer them is the assurance that, if the Communists initiate the destruction of Western civilization, we will finish the job.

I have studied the Army's program and I feel that it is incumbent upon this Congress to provide the funds to support it. Our Army must have the best equipment this Nation can produce, thereby demonstrating for those who would destroy our way of life that this Nation is prepared to back up its commitments around the world and to deter or suppress aggression no matter where, when, or in what form it occurs.

Mr. ARENDS. Mr. Chairman, I yield such time as she may desire to the gentlewoman from New York [Mrs. St. George].

Mrs. ST. GEORGE. Mr. Chairman, included in the bill before you is a line item for the construction of 156 family housing quarters at the U.S. Military Academy. I wish to speak in behalf of this project and its necessity for our country. Our first President in his eighth annual message to Congress in 1797 stated:

The institution of a military academy is also recommended by cogent reasons. However pacific the general policy of a nation may be, it ought never to be without a stock of military knowledge for emergencies * * *. [The art of war] demands much previous study, and * * * [knowledge of that art] * * * in its most improved and perfect state is always of great moment in the security of a nation. * * * For this purpose an academy where a regular course of instruction is given is an * * * expedient which different nations have successfully employed.

I draw from this statement the phrase, "in its most improved and perfect state is always of great moment to the security of a nation," to emphasize that in the art of war, under present interpretation national survival, there is no second best. The item before you for consideration is not merely the construction of housing but is a most important link in the chain of events in the continuing struggle to maintain our position as a first-class power.

You will note that the construction cost of each unit will not exceed \$19,800 or a total construction cost of \$5,588,000, including costs of the houses, site preparation, paving and outside utilities. At first blush, this seems a costly endeavor indeed. On second look, however, an analysis of the project runs much deeper than these cold statistics indicate. We are faced with the continuing operation of an institution which has become associated over the past half century with the successful execution of the com-

plicated requirements of two world conflicts and a number of so-called limited engagements. We cannot afford to permit this historical symbol of military leadership to decline in the quality of its mission as the result of a substandard living condition for its instructor personnel. The problem of retaining qualified company grade officers in the Army is a real one. With ever-increasing living costs, a low salaried Army officer finds Army service an ever-increasing financial hardship. If West Point is to continue in the quality of its product, instructor personnel must at least be offered decent living accommodations.

The shortage in housing at the Academy is a serious one. The long range family housing requirement for company grade instructors at the Military Academy is 315 housing units. At present, a great majority of these officers are occupying inadequate quarters. Community support offers only 91 adequate quarters for the entire military complement of the Academy. To assist in alleviating this critical shortage of officer housing at the Academy, the Congress last year in the Military Construction Act of 1958 authorized the construction of 156 units of family quarters for company grade officers under the provisions of title VIII of the National Housing Act, commonly referred to as the Capehart program.

The Chief of Engineers, acting for the Department of the Army, proceeded to develop this authorized housing project, but soon found out that it was impossible to construct the Capehart housing because of cost limitations. It was not possible to construct housing of the authorized space and the desired standards within the statutory limitation for Capehart housing of \$16,500 per unit plus off-site utility costs of not to exceed \$1,500 per unit. As you know, this \$16,500 per unit limitation includes the cost of the house and all utilities within the boundaries of the project.

Various studies were made by the Army and the type of family housing that could be constructed using appropriated funds as an alternative to use of Capehart authorization. This idea was in accordance with the solution which the Congress had provided in other instances where it was impracticable to construct Capehart housing due to cost limitations. Studies considered row type housing, apartment type housing, and multi-family type housing. These studies showed without question that adherence to existing statutory cost limitations for company grade family housing units would result in a unit so small as to be unserviceable to the occupants and unacceptable to the Department of the Army as meeting neither space nor construction standards provided by current criteria. Consequently, the Army decided to request a project for 156 units of company grade quarters, to be constructed with appropriated funds, comparable in size and standards of construction to those constructed elsewhere in the United States under the provision of the Capehart Act. To accomplish this, special

legislation is required to permit the exceeding of the statutory limitation of \$15,400 per company grade unit. These units will not exceed the standards being used elsewhere in the United States. It is our hope that housing at West Point will merely be comparable in quality to housing generally provided at other Army installations.

This project for 156 units will consist of duplex and triplex two-story houses, the design for which will provide for reducing costs wherever possible. For example, construction will be concrete slab on grade—with no basement—a dry-wall type of interior construction, and individual hot air heating systems, certainly not the most elaborate of construction. In keeping with the standards desirable at the Military Academy, a national institution, which I am sure all of you will agree should not have its prestige lowered, the only concession proposed to the austere standards of construction is the use of brick exteriors and hardwood flooring.

Construction costs at West Point are considerably higher than the national average. In fact, the costs in that locality are about 10 percent higher than those prevailing in the New York City area and about 25 percent higher than the national average. This high cost is attributed to several reasons which become rather obvious. For example:

Local shortages of skilled labor requires the use of imported labor from distances up to 50 miles.

Coupled with the steep sloping terrain which varies from 10 to 15 percent in grade, rock outcroppings are encountered throughout the site, with the resulting costly site preparation. Blasting and drilling of dense rock is necessary in site and foundation preparations. Trenching through rock will be necessary for the extension of sewer and water lines, and even drilling in rock will be necessary for the extension and placement of the electrical and telephone poles. This work is extremely costly and is estimated to be approximately \$1.6 million for clearing and grading of the site.

Water and sewer lines must each be extended for considerable distances to tie into existing systems.

Even the provision of walks, roads, parking and grassed areas which are necessary items in any housing development and cannot be deleted, are costly because of the rock condition.

Collections and disposal of surface runoff with the required storm drainage systems again is a costly item attributed to the rocky terrain.

In addition, the West Point area experiences a short summer construction period resulting in the added costs of winterization of facilities and loss in labor efficiency.

And inasmuch as all of these operations must be accomplished with the minimum interference to the training activities of the Cadet Corps, working and storage areas are somewhat restricted for the construction operations.

Let me again emphasize that it is not intended that these family housing units exceed the standards being used else-

where in the United States, but that housing at the U.S. Military Academy should be comparable in quality to housing generally provided at other Army installations.

In summary, the basic problem facing us is simply this—the continual growth of our military posture in a time of startling scientific discoveries. Although the pace of our existence has quickened, one of the compelling reasons for the establishment of the Academy still exists. I speak of the "Ominous international political situation" so aptly depicted by Thomas Jefferson in 1801, the year before the establishment of the United States Military Academy. The spirit of Sylvanus Thayer, the father of the Military Academy, continues in the requirement for leadership integrated by excellence of character and excellence of knowledge. We cannot judge this requirement by cold fiscal calculation but must temper our decision to the realization that the quality of the product of the Academy is measured in direct proportion to the quality of the instructors which the Army may assign there.

HOUSING AT WEST POINT

One hundred and fifty-six houses at \$19,800 per house, \$3,089,000.

Five million five hundred eighty-eight thousand dollars plus includes 156 houses at \$19,800 including all collateral costs.

Clearing, \$81,000: The housing must be built in a heavily wooded area. Most trees must be removed and the ground otherwise prepared. This explains the unusual clearing cost.

COLLATERAL COSTS

Grading, \$1,622,000: This is a large cost item because of the removal of 280,000 cu. yds. of boulder, ledge rock or other material at an estimated unit cost of \$5.79 per cu. yd. This is a big cost item but through necessity the housing must be built in an area that is very steeply sloping and very rocky.

Roads, park, and recreational area, \$303,000: (a) \$57,500, access road exclusive of the shoulder construction; (b) \$10,100, shoulder construction; (c) \$111,600, interior roads; (d) \$43,800, concrete curbs and gutters for roads; (e) \$65,000, parking area, 5,460 square yards; (f) \$15,000, grading and compacting of the recreational area.

This covers the access road into the housing area, the interior roads which have concrete curbs and gutters, parking areas, and a small amount of grading and compacting for a recreational area.

Drainage, \$43,500: This includes normal drainage, storm drainage, ditching, and other drainage items which are the normal requirements for a housing area.

Water lines, \$99,000: The water lines are normal in every respect. However, its installation in rock, as is necessary in this instance, causes the total installation cost to be greater.

Sanitary sewer lines, \$71,000: These sanitary sewer lines are completely normal but, again, are somewhat more expensive because of the requirement of putting them in rock.

Electrical power and telephone, \$187,500: (a) Electrical power, \$92,000; (b)

telephone, \$95,000. These lines are not unusual except in one respect. There is an unusual distance involved because the source of power is a considerable distance away.

Final site improvement, \$68,000: This is a normal part of a housing project and is unusual only in that a greater amount of topsoil will have to be imported into the area because of the rocky terrain.

Collateral equipment, \$24,000: 156 ranges. Normal cost item.

Total cost, \$5,588,000.

Mr. VINSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I wholeheartedly support this bill. Quite naturally I have a very special interest in the Military Air Transport Service since the headquarters of this great organization is located at Scott Air Force Base which is within my congressional district.

Without in any way minimizing the other important authorities granted in this bill, I would like to call special attention to the construction authorizations contained in this bill for a highly important purpose. That purpose is to support the activities of the Military Air Transport Service which performs a vital and indispensable role in support of our strategic and tactical Air Force wartime operations and combat operations of the Army, Navy, and Marines, as well as the performance of military support operations in peacetime.

This bill provides construction authorizations of almost \$5 million at MATS bases. An additional \$7 million for direct support of MATS also is provided as part of the programs at the bases of other Air Force commands. In addition, authorization is contained in the bill for the construction of 600 units of family housing at 2 MATS bases utilizing private capital under the provisions of Title VIII of the National Housing Act. This construction alone, however, does not give a full picture of the extent of the MATS operations, for MATS operates from many farflung locations covering virtually every area of the world and jointly utilizes facilities at bases of other Air Force commands. The MATS construction authorizations will provide airfield, aircraft maintenance, and terminal facilities, navigational aids and essential personnel support facilities.

The Military Air Transport Service began the second decade of its history on June 1, 1958. Its primary mission is to maintain a state of readiness and capability to provide necessary airlift to meet wartime requirements of the Department of Defense. Although MATS has undergone major internal changes during its first 10 years, this mission has remained unchanged.

MATS is a modern up-to-date system. In the event of aggression, the ready and prompt ability to fulfill its mission may well be a vital factor in our success. Such a concept demands modernization with the latest technological advancements. Ten years of experience in this basic combat mission have enabled MATS to organize, to equip and to keep crews up to date and in step with the times. MATS today is flexible, adaptable, and modern.

MATS, a major Air Force command, was formed by consolidating two wartime air transport agencies—the Air Transport Command and the Naval Air Transport Service. MATS cut its teeth on the famous Berlin airlift. Both Air Force and Navy personnel and aircraft took part in the 14-month Operation Vittles to provide over 2 million tons of food, fuel, and medicine to Berlin and her beleaguered population of 2,500,000 people.

MATS has demonstrated its capabilities in other dramatic airlifts—the Pacific airlift in support of United Nations forces in Korea; the airlift of high-priority cargo and personnel during the construction of Thule Air Base in Greenland; Operation Wounded Warrior; airlift of United Nations troops and equipment to the Suez Canal Zone; and the Hungarian refugee airlift—Operation Safe Haven.

When the Korean war began in the summer of 1950, MATS was delivering approximately 70 tons of cargo to the Far East each month. Within 3 months, MATS transports were delivering up to 106 tons a day into Japan alone. The number of MATS Pacific airlift planes increased from 50 Douglas C-54's to a total of 160 MATS transports, plus 17 supplied by United Nations members and 66 leased from civil airlines. A total of 160,000 tons was airlifted in nearly 35,000 transpacific crossings before the Korean armistice was signed in 1953.

This Pacific airlift proved that air transport into a combat theater is not a one-way proposition. The return airlift was used to bring home combat casualties and other military patients as well as passengers from all services. Ninety percent of all evacuations of Korean wounded was by air. The result: Death rate from wounds was reduced from a World War II figure of 4 percent to lower than 2 percent. Medical air evacuation is now standard procedure.

In 1951 another rigorous test of MATS strategic airlift capability was the movement of personnel and materiel into Thule, Greenland. Moving bulldozers, power shovels, road graders, trucks, fuel, and, in one instance, a heavy crane, MATS demonstrated the potential of airlift into isolated areas. MATS has been credited with advancing the completion date of construction on the far northern base by a full year.

During 1954 MATS flew the longest aerial mercy mission in aviation history. More than 500 French troops wounded at Dien Bien Phu in Indochina were flown three-quarters of the way around the world in Operation Wounded Warrior.

In December 1956, the Hungarian refugee airlift Operation Safe Haven and the airlift of the U.N. police troops headed for the Suez area, once again proved that MATS was organized for D-day readiness. MATS flew 9,700 Hungarian refugees to America, including several thousand passengers carried by civil contract airlines.

MATS was called on to deliver supplies and equipment in support of Operation Deep Freeze—airlift support for Naval Task Force 43 in the Antarctic. Everything from the kitchen sink and a

food mixer to a 3-ton Weasel and a 7-ton tractor was dropped at the Antarctic base. Despite some of the worst weather and radio blackout conditions ever recorded, the drops were remarkably successful.

Even more recent dramatic evidence of the importance and readiness of the MATS and the tactical troop carrier forces occurred in the last year during the periods of tension in Taiwan and Lebanon. MATS and troop carrier aircraft moved Army forces and supplies almost overnight during the Lebanon crisis. Within 73 hours after receiving orders to deploy, the first cargo aircraft was unloading its cargo of F-104 fighter planes and their pilots at Taiwan when the Chinese Communists attacked Quemoy last summer. Needless to say, this operation made a good impression on our friends, and perhaps an even stronger impression on the Chinese Communists.

The capability of airlift forces will expand during the coming year as aircraft modernization is applied.

MATS has entered the missile and space age with the latest in transport equipment. In 1948 the fleet was mainly composed of Douglas C-54 aircraft, but Operation Vittles graphically demonstrated the value of larger transports for strategic airlift. Over the years MATS has been gradually replacing obsolete aircraft with new planes designed for greater speed, range, and aircraft load—the Boeing C-97 Stratocruiser in 1949; the Douglas C-124 and R6D in 1951; the Douglas C-118 in 1952; the Lockheed R7V in 1953; the Lockheed C-121 in 1955; and in August 1957 MATS received its first swift, long-range turboprop—the Douglas C-133, which ushered in a new era in oceanic flight. The introduction of a jet cargo aircraft into the MATS force beginning in 1961 will increase total airlift capability.

While the command is perhaps best known for its airlift role, MATS is not solely an air transport organization. There are other equally vital services within MATS—the Air Force technical supporting services:

Air Weather Service—AWS—provides meteorological data on a global scale to U.S. Air Force and Army units. Beginning in 1917 as part of the Signal Corps, AWS now mans hundreds of weather stations in numerous countries throughout the world. A net of weather observation stations, both manned and automatic, is spread throughout the northern hemisphere. Also the Air Weather Service severe weather warning system, developed largely to enable aircraft to be moved from the path of dangerous storms, has been effective, with some adaptations, in warning the civil population of storms. Weather reconnaissance has added much to our knowledge of hurricanes and typhoons.

Airways and Air Communication Service—AACS—transmits this mass of weather data. AACS also operates fixed aeronautical point-to-point and ground-to-air radio stations, airdrome control towers, electronic navigation aids, landline facilities and teletype stations, cryptographic sections and message centers.

AACS works in close cooperation, and jointly, with the FAA, in these vital aircraft and airspace control functions.

As the installing and operating agency for the USAF's Global Communications Systems, AACS transmits millions of messages monthly.

Another significant MATS service is STRATCOM, a worldwide communications network installed by AACS.

Air Rescue Service—ARS—is most dramatic of the MATS services. With its motto "That Others May Live," ARS was organized primarily to save the lives of Air Force crews involved in aircraft accidents. ARS humanitarian emergency work ranges around the world, covering both military and civilian crises.

ARS history is crowded with outstanding achievements. In recent months Rescue directed all operations by units of the Department of Defense during the two great New England floods and the floods in California. Rescue also has led the fight against floods in Japan, Italy, England, Holland, Mexico, Costa Rica, and at home in Kansas and Texas.

One of the most decorated and honored units of the Korean conflict was a detachment of the 3d Air Rescue Group, which completed 9,690 rescues within the combat area. Of this total, 996 United Nations personnel were rescued from behind the enemy lines. For this work the men of the 3d Air Rescue Group received the Air Force Association's flight trophy in 1953.

The Air Photographic and Charting Service—APCS—is the youngest member of MATS. Operating photographic and aerial mapping units throughout the world, this organization handles the overall photographic requirements of the Air Force.

MATS has an unparalleled safety record. In fact, military and civilian passengers on MATS scheduled flights are afforded worldwide accident insurance protection at regular commercial airline rates. In 1950 and again in 1954 MATS won the Daedalian Trophy for the lowest Air Force accident rate per 100,000 flying-hours. Transport operations achieved a rate of only two accidents per 100,000 flying-hours in 1954. In 1957 MATS had its lowest accident rate, with an overall rate of 3.9 per 100,000 flight-hours and 1.08 per 100,000 hours in transport operations.

Specialized aircraft development, such as safety devices as antiskid brakes and anticollision lights, improvements in navigational aids, communications techniques, and other equipment, have all contributed to this outstanding record.

This is the Military Air Transport Service. Its transport divisions and diversified support services are potent factors in the maintenance of world peace.

Since October 1957 MATS has operated and controlled this vast and important military system from headquarters at Scott Air Force Base, near Belleville, Ill. This is one of the major installations of today's Air Force, and it is the home of other important Air Force activities, in addition to MATS Headquarters. These include a MATS transport squadron, an Air Training Command technical training group, and an Air Force Reserve

troop-carrier squadron. Over 4,000 military personnel are stationed at this base, and it employs about 2,500 civilian workers.

Approximately \$59 million have been invested to date for facilities at Scott Air Force Base. Two hundred and fifty-three thousand dollars for additional construction at Scott is contained in the authorization bill under consideration today, and the Air Force plans additional investments in future years to expand and improve the existing facilities.

Mr. VINSON. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, what I have to say today I hope will not be considered by the distinguished chairman and the members of the Committee on Armed Services as being criticism. If it is in the nature of criticism, it is constructive criticism. Looking over the proposed expenditures for construction and maintenance, and what have you, I note that little, if any, attention has been given by the committee to favor areas and States within our Nation that have tremendous unemployment at the present time. It is significant that those various States have little, if anything, in this bill that would help the unemployment situation.

I do want to digress long enough to express my thanks to the committee for continuing the appropriation for the only project that West Virginia has in the whole military setup, naval and otherwise. It is a naval installation at Sugar Grove, W. Va. I am deeply thankful that the committee is continuing to provide moneys or authorizing moneys to continue with the construction of this installation.

I might say to my distinguished chairman that after the little hassle we had on the floor here 3 or 4 years ago, I want to again take this opportunity to thank him, because he said then, "If the gentleman from West Virginia will keep quiet, we will give him some kind of an installation," and they did. But, it is only 6 miles from the West Virginia border; nevertheless it is in West Virginia.

I want to take this time to call the attention of the committee to a situation in West Virginia that needs the attention of the Committee on Armed Services. We have, at South Charleston, W. Va., an installation known as the Naval Armor Plate Plant. It was a World War I facility that cost the Government \$134 million initially. It lay dormant between World War I and the outbreak of World War II. Then they came along in World War II and expended an additional \$50 million for additional buildings. The Carnegie Steel Co. took it over and operated it and made all kinds of war material. We constructed small PT boats there and small destroyers. We manufactured all kinds of small arms; I forget what the bore of the cannons was that were made there. But, after World War II ended again it was revived and some of the buildings used and contracts let for Government production of military and naval equipment. Since the Korean war difficulties arose, it is being maintained by the Federal Government at a tremendous cost.

Inquiry at the Bureau of Naval Operations disclose an annual maintenance and upkeep cost of \$535,000, exclusive of salaries of naval personnel. There are 8 naval officers and 306 civilians looking after the maintenance and storage.

We have this situation to contend with. They were so anxious to get that fine location of level land—most of it is as level as the prairie land of Kansas—that they entered into an agreement with the people from whom they bought it that any time they ceased to use it for defense purposes, title would revert back to the people. Here you have millions of dollars of Government money tied up. They do not want to sell it. The fact of the matter is, they cannot sell it. It is costing thousands upon thousands of dollars annually for maintenance purposes, because they keep it ready to go at any time. I am wondering, in view of the unemployment situation we have there, why there is not some activity underway at this time at that particular plant. With that much of a Government investment, why not make some use of this plant?

Mr. VINSON. Mr. Chairman, I yield myself 2 minutes, to answer the gentleman's question.

Mr. Chairman, let me say to my good friend from West Virginia that I am quite familiar with this installation. As a matter of fact, back in 1916 or 1917 I was a member of the Committee on Naval Affairs when we authorized it. Ever since that time I have been resisting various efforts, some led by the community, some led by the State, to dispose of this piece of property. I do not think it should be disposed of. I think it should be utilized. I pledge the gentleman I shall continue to do everything I possibly can, and with his cooperation I hope we may be able to find a way in which it can be utilized, put in operation as an active Government installation.

Mr. BAILEY. I thank the gentleman very much.

Mr. VINSON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Vermont [Mr. MEYER].

Mr. MEYER. Mr. Chairman, it is absolutely essential that we provide properly for the defense of the United States. That includes the necessary military installations. However, I also feel that it is equally important to the defense of the United States that we properly utilize our dollars and our financial resources. Of course, it is most important that when we spend \$3 for defense installations that we do not get only \$2 of value. I am sure that the committee has investigated all of these items pretty well, but I should like in connection with one of them to get a little more information. This is in connection with Fort Sill in Oklahoma where they call for operational and training facilities and maintenance facilities in the amount of \$5,337,000. I would like to know just what some of the operational and training facilities are.

Mr. VINSON. Mr. Chairman, I am glad to see that the distinguished gentleman from the icebound regions of Vermont has drifted down to Fort Sill in Oklahoma. It is refreshing to get his question, and I am happy to try to give him the full information. This provides

an authorization of \$5,337,000, and it is broken down in this way: A taxiway, compass swinging base, runway approach lighting, ordnance support battalion facilities for special weapons, three missile ground handling equipment buildings, three missile maintenance equipment shops and facilities.

There are also hardstand, missile maintenance equipment shops and facilities, a motor maintenance shop, and a motor park. Which one of these items is the gentleman inquiring about?

Mr. MEYER. In connection with the expenditure of these funds for these missile installations, will they require the purchase of any additional land in the future?

Mr. VINSON. I am quite familiar with all the land controversy down there. I am glad to say there is nothing in this bill or nothing contemplated in this bill right now with respect to expanding the land facilities at Fort Sill.

Mr. MEYER. I thank the gentleman very much.

Then I want to mention another item. Is there anything in this bill that might arise in the future about the following matter? Up in Vermont on our highest mountain, one of our great scenic areas, Mount Mansfield, there was a demand one time that they would need to use that mountain top for certain installations for observation purposes. When local objections were made, shortly thereafter they said that a new development in the missile field would no longer require the use of this area. Is there anything of that type injected into this bill?

Mr. VINSON. I want to say to my good friend that his question is so detailed I am not in a position to answer it. I just could not answer that kind of question. I know there is nothing in the bill relating to it. Of course, I cannot tell what is going to be running through the minds of the planners in the days to come. I have to deal with it as I come to the bridge. It is not involved in this bill at all now. I am sorry I cannot help the gentleman there today.

Mr. MEYER. I thank the gentleman very much.

Mr. VINSON. Mr. Chairman, I have no further requests for time.

Mr. ARENDS. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, within the last year there has been located in the Arlington Towers Apartments, in Virginia within a stone's throw of the Pentagon, an institution called the Military Training Institute. The contract for the operation of the Military Training Institute was farmed out to a psychology professor who has organized what is called the American Institute for Research.

Mr. VINSON. Let me say to my good friend there is not a line in this bill dealing with that subject. I know what is running through the mind of the gentleman. That is a school where men are trained for military aid work overseas.

Mr. GROSS. The school is designed to instruct officers in the military assistance program overseas.

Mr. VINSON. The State Department has a large voice in that military assistance. There is not a thing in this bill about it.

Mr. GROSS. I am pleased to hear the gentleman say that this bill carries no money for the operation of that Military Training Institute.

Mr. VINSON. When the Foreign Affairs Committee brings in its bill it will have jurisdiction of that. We do not.

Mr. GROSS. I am glad to hear it.

Mr. VINSON. We have enough trouble on our hands without going into that.

Mr. GROSS. I will say to the chairman that I think he could very well look into this kind of operation, where an absentee operator, a psychology professor at Pittsburgh, Pa., gets a cost plus a 6 percent fee contract to operate a military training institute. The function of the Army in peacetime is training. I believe the chairman will agree with me that it is their function in peacetime. Retired military personnel are being used in this school yet this former professor has a cost plus a 6 percent fee for the operation in some of the most expensive property in the District of Columbia area, all at taxpayer expense.

Mr. VINSON. May I say to the distinguished gentleman that I respect his remarks and will transmit them to the proper department. I am grateful to him for bringing it to the attention of the committee.

Mr. GROSS. I think the gentleman can help me with another question: What has been the fate of the San Jacinto Ordnance Depot at Houston, Tex., which was an item quite in controversy here a year ago when a bill similar to this came before the House?

Mr. VINSON. I have a letter from Secretary McElroy dated March 6, 1959. It reads as follows:

THE SECRETARY OF DEFENSE,
Washington, March 6, 1959.

DEAR MR. CHAIRMAN: In accordance with the provisions of section 109, Public Law 85-685, I have had a thorough study made regarding the need for the Department of Defense to retain the San Jacinto Ordnance Depot.

As a result of my review of this study, I find that disposal of the San Jacinto Ordnance Depot and its outloading terminal will not be inimical to the national security. This study has also revealed that there is no need for the construction of a replacement ammunition outloading terminal at Point-Aux-Pins, Ala.

I have advised the Secretary of the Army of my findings and requested him to initiate appropriate action with the General Services Administration for the disposal of the San Jacinto Ordnance Depot in accordance with the provisions of section 109 of Public Law 85-685.

Sincerely,

NEIL MCELROY.

I think this letter answers the inquiry of the gentleman.

Mr. GROSS. I want to thank the gentleman for reading the letter into the RECORD because I have had some difficulty in getting information from the Pentagon on this particular subject. So, as I understand it now, this ordnance depot which is probably the best in the United States of America, which has deep sea loading facilities, being located

on the ship channel just south of Houston, Tex., whose proud boast is "where 22 railroads meet the sea". In other words, it has easy access to railroad transportation to any point in the continental United States. It offers sea transportation of ammunition anywhere throughout the world, and it is now going to be disposed of.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. VINSON. Mr. Chairman, I yield 2 additional minutes to the gentleman from Iowa.

Mr. ARENDS. Mr. Chairman, I yield 2 additional minutes to the gentleman.

Mr. GROSS. Mr. Chairman, I thank both of my colleagues.

Mr. Chairman, as I was saying, this ordnance depot is now to be disposed of. It is an installation comprising 5,000 acres of land with 18 miles of railroad trackage and with miles upon miles of all-weather roads. Not more than a year ago, we were told that this ordnance depot held nearly 100 thousand tons of ammunition with a value of \$120 million and yet, this is to be disposed of. Is that the understanding?

Mr. VINSON. That is the decision of the Secretary based upon the law. I say to my good friend, I have confidence in the judgment of the Secretary. The Secretary was directed to make a study. He did make a study. He appointed qualified people. He advised the Committee on Armed Services that in accordance with the law, he found it was all right to dispose of this installation—even to the extent that there is no need and no necessity of building a comparable one in Alabama.

Mr. GROSS. And, yet, only a year ago, Mr. Chairman—only a year ago—the Department of the Army, this same Defense Department, appeared before the gentleman's committee and said that this ordnance depot must be retained; that it was necessary to the defense and security of this country.

Mr. VINSON. You must bear in mind—and this statement is one that will be made often when it comes to a question of a change of opinion or a change in what we are doing—often-times new type of weapons that come into existence change our plans. If I may, I would like to make this statement and I will yield the gentleman additional time, if he wants it, but I pointed out previously that in a great many of these construction programs, millions and millions of dollars today are being spent based upon the use of man-operated airplanes. These in the course of time are going to fade away. We are hoping that when the missile era arrives—and we are getting closer and closer to it every day—that we can utilize some of these facilities that we are providing for today. Now, the same thing applies with reference to ammunition depots. There is no need and no necessity today to honeycomb the Nation with ammunition depots when we know that in the future we will not have to have the type of ammunition that we have to have today.

Mr. GROSS. To me this is a strange proceeding, that this splendid depot in Texas, just south of Houston, Tex.,

should be the first selected to go, under the conditions set forth.

Mr. VINSON. We have to start somewhere. I have confidence in the judgment of the Secretary of Defense. I am supporting his judgment, and I think he reached the right decision in regard to it.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois who has fought hard to retain this facility.

Mr. ARENDS. This became quite a controversial question last year in which I took part. Let me say that within the recent year surveys and studies have been made of the whole situation. We will try to find out all the necessary information in the committee later on.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. VINSON. There was submitted to the Armed Services Committee a few days ago for our consideration what is known as a real estate disposal project. There will again be a vote before this is finally disposed of.

Mr. GROSS. I am sure there will be. And I hope the chairman of the committee will give a full and fair hearing.

Mr. VINSON. I want the committee to understand this: On three separate occasions there has been a yea-and-nay roll call vote. On the first occasion the vote was 202 to 179. On another it was 376 to 2. On the conference report it was 256 to 135. On three separate occasions the issue has been joined and the House has approved of what the Secretary has now done.

The CHAIRMAN. The time of the gentleman has expired.

LAUGHLIN AND GOODFELLOW AIR FORCE BASES

Mr. FISHER. Mr. Chairman, I would like to refer to two Air Force installations which, while not represented by substantial new construction authorization in this bill, are vital installations in the Air Force, serving highly essential functions.

One of these installations is Laughlin Air Force Base, located at Del Rio, Tex. This base was dedicated in 1943 and named in honor of Lt. Jack Thomas Laughlin who was born in Del Rio, Tex., and graduated from the University of Texas. Lieutenant Laughlin served nobly with the Air Corps in defense of his country until he was killed in combat in January 1942 while flying a B-17 mission over Java. He was the first World War II pilot casualty from Del Rio, Tex.

Laughlin Air Force Base now is one of the major installations of the Strategic Air Command. This is a highly appropriate mission for the base following its earlier illustrious accomplishments as an advanced flying school for pilot training. Throughout World War II, Laughlin Air Force Base, then known as Laughlin Army Air Field, trained and sent to war theaters more than 2,200 B-26 pilots. Again, during the Korean conflict, Laughlin Air Force Base played a significant role in the necessarily increased pilot training program by the

conduct of training in transition to the then new jet aircraft and gunnery.

Now as a SAC base, Laughlin is the home and operating base of a strategic reconnaissance wing of the Strategic Air Command. In that capacity, it plays a tremendously important role in the immense capabilities of the Strategic Air Command which today provides the primary deterrence to an aggression against this country.

The deterrent capability of the Strategic Air Command hinges mainly on the ability of SAC to retaliate with overwhelming force and annihilate any aggressor. This capability results from SAC's superior degree of efficiency and readiness which gives it the ability to keep a significant portion of its strike force alive and respond instantly even in the face of a massive surprise attack.

A key element in the attainment and continuance of this vital SAC deterrent capability are the bases in being from which the SAC reconnaissance and bomber units operate. As part of this key element, Laughlin Air Force Base, with its over 3,000 military personnel and 300 civilian employees, is admirably suited for its prominent and important contribution to the defense of our country.

The other installation of which I wish to speak is Goodfellow Air Force Base, which is near San Angelo in Tom Green County, Tex. This base was named for Lt. John J. Goodfellow, Jr., of San Angelo, who was killed in fighter combat in France in 1918.

Goodfellow Air Force Base was initially occupied in 1941 and, except for a brief inactive period following World War II, served until last year in a capacity, similar to Laughlin Air Force Base, of pilot flight training by the Air Training Command. On July 1, 1958, the base was transferred to the jurisdiction of the U.S. Air Force Security Service to use for highly specialized training of personnel who perform extremely essential communications-electronics intelligence and communications security functions in support of Air Force and other defense agency activities. Under its current utilization, over 2,000 military personnel, principally highly specialized technicians, will work or receive training, aided and supported by approximately 400 civilian employees.

In view of the specialized nature and critical importance of the function being performed by Goodfellow Air Force Base, it also takes a rightful place as one of the principal military installations making a vital contribution to national defense.

Though not among the largest installations in the Military Establishment, the nature and importance of the activities performed at Laughlin Air Force Base and Goodfellow Air Force Base, and the high quality of that performance, are such that the people of Texas and the rest of the Nation can be justifiably proud.

Mr. VINSON. I have no further requests for time, Mr. Chairman.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

Inside the United States

Technical Services Facilities

(Ordnance Corps)

Aberdeen Proving Ground, Maryland: Training facilities and troop housing, \$785,000.

Letterkenny Ordnance Depot, Pennsylvania: Maintenance facilities, \$454,000.

Redstone Arsenal, Alabama: Operational facilities, research, development, and test facilities, medical facilities, troop housing, and utilities, \$5,387,000.

Savannah Ordnance Depot, Illinois: Supply facilities, \$1,160,000.

(Quartermaster Corps)

Fort Lee, Virginia: Training facilities and troop housing, \$414,000.

(Chemical Corps)

Fort Detrick, Maryland: Research, development and test facilities, \$270,000.

Dugway Proving Ground, Utah: Research, development, and test facilities, operational facilities, and utilities, \$532,000.

(Signal Corps)

Fort Huachuca, Arizona: Operational facilities, research, development and test facilities, and utilities, \$3,230,000.

(Corps of Engineers)

Fort Belvoir, Virginia: Operational facilities, medical facilities, research, development, and test facilities, and utilities, \$1,376,000.

(Transportation Corps)

Fort Eustis, Virginia: Hospital and medical facilities, \$4,866,000.

Charleston Transportation Depot, South Carolina: Family housing, \$251,000.

(Medical Corps)

Fitzsimons Army Hospital, Colorado: Medical facilities and utilities, \$188,000.

Field Forces Facilities

(First Army Area)

Fort Devens, Massachusetts: Training facilities, \$59,000.

Fort Dix, New Jersey: Training facilities, \$64,000.

(Second Army Area)

A. P. Hill Military Reservation, Virginia: Training facilities, \$229,000.

Fort Knox, Kentucky: Training facilities, maintenance facilities, supply facilities, and community facilities, \$2,747,000.

Fort Meade, Maryland: Training facilities, medical facilities, and utilities, \$2,530,000.

(Third Army Area)

Fort Benning, Georgia: Training facilities and maintenance facilities, \$1,090,000.

Fort Bragg, North Carolina: Operational facilities, maintenance facilities, and community facility, \$1,228,000.

Fort Campbell, Kentucky: Utilities, \$2,300,000.

Fort Rucker, Alabama: Operational and training facilities and supply facilities, \$2,662,000.

Fort Stewart, Georgia: Training facilities, \$238,000.

(Fourth Army Area)

Fort Bliss, Texas: Operational and training facilities, troop housing, maintenance

facilities, supply facilities, administrative facilities, and utilities, \$7,260,000.

Fort Sam Houston, Texas: Operational and training facilities and maintenance facilities, \$840,000.

Fort Sill, Oklahoma: Operational and training facilities and maintenance facilities, \$5,337,000.

(Fifth Army Area)

Fort Leavenworth, Kansas: Utilities, \$160,000.

Fort Leonard Wood, Missouri: Operational facilities, medical facilities and utilities, \$593,000.

Army Support Center, St. Louis, Missouri: Administrative facilities, \$261,000.

(Sixth Army Area)

Fort Ord, California: Supply facilities, \$85,000.

Presidio of San Francisco, California: Utilities, \$218,000.

(United States Military Academy)

United States Military Academy, West Point, New York: Family housing and utilities, \$6,303,000.

(Alaska Command Area)

Fort Greely: Family housing and community facilities, \$2,395,000.

Fort Richardson: Training facilities, \$321,000.

(Tactical Installations and Support Facilities)

Various locations: Family housing, \$1,646,000.

Various locations: Operational facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities and utilities, \$29,026,000.

Outside the United States

(Pacific Command Area)

Helemano, Hawaii: Real estate, \$90,000.

Schofield Barracks, Hawaii: Training facilities and community facilities, \$1,259,000.

Camp Buckner, Okinawa: Training facilities, \$217,000.

Pacific Scatter System: Operational facilities, maintenance facilities, troop housing, and utilities, \$3,104,000.

(Caribbean Command Area)

Fort Kobbe, Canal Zone: Training facilities, \$228,000.

(European Command Area)

France: Training facilities, \$140,000.

Germany: Operational and training facilities, maintenance facilities, supply facilities, community facilities, and utilities, \$10,338,000.

Italy: Operational facilities, maintenance facilities, supply facilities, community facilities, troop housing and utilities, \$1,973,000.

(Army Security Agency)

Various locations: Administrative facilities, operational facilities, maintenance facilities, troop housing, medical facilities, supply facilities, community facilities, family housing, and utilities, \$5,573,000.

(Strategic Army Communications)

Various locations: Operational facilities, community facilities, and utilities, \$1,288,000.

SEC. 102. The Secretary of the Army may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$83,330,000.

SEC. 103. (a) The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army

missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$5,000,000: *Provided*, That the Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1960, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

(b) Section 103 of the Act of August 20, 1958 (72 Stat. 636, 638) is hereby repealed except for those public works projects thereunder concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified prior to the date of enactment of this Act.

SEC. 104. (a) In accordance with the provisions of section 407 of the Act of September 1, 1954 (68 Stat. 1119, 1125), as amended, the Secretary of the Army is authorized to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters and community facilities at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454) or through other commodity transactions of the Commodity Credit Corporation:

Various locations, France, 400 units.

Army Security Agency, location 12, 157 units, and community facilities.

(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Army is authorized to construct family housing for occupancy as public quarters at the following locations:

Inside the United States

ARADCOM Tac Sites, 575 units.

Fort Huachuca, Arizona, 200 units.

Fort Eustis, Virginia, 223 units.

Fort Dix, New Jersey, 200 units.

Fort Ritchie, Maryland, 27 units.

Fort Bragg, North Carolina, 367 units.

Fort Bliss, Texas, 1,000 units.

Fort Hood, Texas, 800 units.

Fort Riley, Kansas, 867 units.

Fort Leonard Wood, Missouri, 800 units.

Camp Irwin, California, 140 units.

Fort Ord, California, 500 units.

Fort Knox, Kentucky, 350 units.

Fort Devens, Massachusetts, 1,200 units.

Outside the United States

Camp Losey, Puerto Rico, 150 units.

SEC. 105. (a) Public Law 85-241, as amended, is amended under the heading "CONTINENTAL UNITED STATES", in section 101, as follows:

(1) Under the subheading "TECHNICAL SERVICES FACILITIES (Signal Corps)", with respect to Aberdeen Proving Ground, Maryland, strike out "\$2,288,000" and insert in place thereof "\$2,613,000".

(2) Under the subheading "TECHNICAL SERVICES FACILITIES (Quartermaster Corps)", with respect to New Cumberland General Depot, Pennsylvania, strike out "\$464,000" and insert in place thereof "\$597,000".

(3) Under the subheading "TECHNICAL SERVICES FACILITIES (Signal Corps)", with respect to Fort Huachuca, Arizona, strike out "\$1,936,000" and insert in place thereof "\$2,276,000".

(4) Under the subheading "FIELD FORCES FACILITIES (Fifth Army Area)", with respect to Fort Leonard Wood, Missouri, strike out "\$4,663,000" and insert in place thereof "\$5,051,000".

(b) Public Law 85-241, as amended, is amended by striking out in clause (1) of section 502 the amounts "\$116,915,000" and "\$294,394,000" and inserting in place thereof "\$118,101,000" and "\$295,580,000", respectively.

TITLE II

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities and equipment for the following projects:

Inside the United States

Shipyard Facilities

Naval Shipyard, Boston, Massachusetts: Maintenance facilities, \$1,422,000.

Naval Shipyard, Brooklyn, New York: Maintenance facilities, \$365,000.

David Taylor Model Basin, Carderock, Maryland: Research, development, and test facilities, \$318,000.

Naval Shipyard, Long Beach, California: Subsidence protective measures, \$500,000.

Naval Submarine Base, New London, Connecticut: Troop housing, utilities, and real estate, \$3,146,000.

Naval Shipyard, Portsmouth, New Hampshire: Operational facilities, and maintenance and production facilities, \$3,497,000.

Fleet Base Facilities

Naval Station, Newport, Rhode Island: Operational facilities, \$7,353,000.

Aviation Facilities

(Naval Air Training Stations)

Naval Auxiliary Air Station, Meridian, Mississippi: Operational and training facilities, supply facilities, and administrative facilities; and, at Outlying Landing Field, Bravo, operational and training facilities, utilities and ground improvements, and real estate, \$5,147,000.

Naval Air Station, Pensacola, Florida: Community facilities, \$400,000.

Naval Auxiliary Air Station, Whiting Field, Florida: Operational and training facilities, and real estate, \$2,811,000.

(Fleet Support Air Stations)

Naval Air Station, Lemoore, California: Operational and training facilities, maintenance facilities, supply facilities, hospital and medical facilities, administrative facilities, troop housing, community facilities, and utilities and ground improvements, \$26,897,000.

Naval Air Station, Miramar, California: Operational facilities, \$305,000.

Naval Air Station, Oceana, Virginia: Operational facilities, \$336,000.

(Marine Corps Air Stations)

Marine Corps Auxiliary Air Station, Beaufort, South Carolina: Operational facilities, \$51,000.

Marine Corps Air Station, El Toro, California: Operational facilities, \$48,000.

Marine Corps Air Facility, Santa Ana, California: Troop housing, \$2,216,000.

Marine Corps Auxiliary Air Station, Yuma, Arizona: Operational and training facilities, maintenance facilities, and troop housing, \$3,940,000.

(Special Purpose Air Stations)

Naval Air Facility, Towers Field, Andrews Air Force Base, Camp Springs, Maryland:

Operational facilities, maintenance facilities, and troop housing, \$1,051,000.

Naval Air Station, Lakehurst, New Jersey: Utilities, \$726,000.

Naval Air Station, Patuxent River, Maryland: Operational facilities, and research, development, and test facilities, \$1,196,000.

Naval Air Material Center, Philadelphia, Pennsylvania: Research, development, and test facilities, \$333,000.

Pacific Missile Range, Point Mugu, California: Operational facilities, maintenance facilities, research, development, and test facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities, and utilities and ground improvements; at Point Arguello, maintenance facilities, research development, and test facilities, ammunition storage facilities, troop housing, community facilities, and utilities and ground improvements; and, at various Pacific islands, operational facilities, research, development, and test facilities, and troop housing, \$30,050,000.

Supply Facilities

Naval Supply Depot, Bayonne, New Jersey: Administrative facilities, \$123,000.

Military Medical Supply Agency, Brooklyn, New York: Administrative facilities, \$113,000.

Naval Supply Depot, San Diego, California: Administrative facilities, \$100,000.

Marine Corps Facilities

Marine Corps Supply Center, Barstow, California: Utilities, \$432,000.

Marine Corps Base, Camp Lejeune, North Carolina: Operational and training facilities, and ammunition storage facilities, \$328,000.

Marine Corps Base, Twentynine Palms, California: Operational and training facilities, ammunition storage facilities, and utilities, \$1,137,000.

Ordnance Facilities

Naval Propellant Plant, Indian Head, Maryland: Research, development, and test facilities, \$972,000.

Service School Facilities

Naval Academy, Annapolis, Maryland: Utilities, \$1,025,000.

Naval Communication Training Center, Corry Field, Florida: Operational and training facilities, \$1,000,000.

Naval Training Center, Great Lakes, Illinois: Troop housing, and utilities, \$4,712,000.

Naval Station, Norfolk, Virginia: Real estate, \$81,000.

Naval Training Center, San Diego, California: Utilities, \$144,000.

Medical Facilities

Naval Medical Research Laboratory, New London, Connecticut: Medical research facilities, \$75,000.

Communication Facilities

Naval Radio Station, Buskin Lake, Kodiak, Alaska: Operational facilities, \$84,000.

Naval Security Group Activity, Camp Chiniak, Alaska: Operational facilities, \$40,000.

Naval Communication Station, Norfolk, Virginia: Operational facilities, \$1,781,000.

Naval Radio Research Station, Sugar Grove, West Virginia: Maintenance facilities, medical facilities, administrative facilities, supply facilities, troop housing, community facilities, and utilities and ground improvements, \$3,957,000.

Naval Radio Station, Washington County, Maine: Operational facilities, maintenance facilities, supply facilities, community facilities, administrative facilities, and ground improvements, \$3,179,000.

Naval Radio Station, Winter Harbor, Maine: Troop housing, \$271,000.

Office of Naval Research Facilities

Naval Research Laboratory, District of Columbia: Research, development, and test facilities, \$1,591,000.

Outside the United States

Shipyards Facilities

Naval Ship Repair Facility, Guam, Mariana Islands: Operational facilities, \$507,000.

Aviation Facilities

Naval Station, Argentia, Canada: Troop housing and community facilities, \$4,133,000.

Naval Air Station, Atsugi, Japan: Operational facilities, \$1,640,000.

Naval Station, Bermuda: Troop housing, \$295,000.

Naval Air Station, Cubi Point, Luzon, Philippine Islands: Operational facilities, \$76,000.

Marine Corps Air Station, Kaneohe Bay, Oahu, Territory of Hawaii: Operational facilities, \$47,000.

Naval Station, Roosevelt Roads, Puerto Rico: Operational facilities, hospital and medical facilities, troop housing, community facilities, and utilities and ground improvements, \$3,579,000.

Naval Air Station, Rota, Spain: Operational facilities, \$1,934,000.

Supply Facilities

Naval Supply Center, Pearl Harbor, Oahu, Territory of Hawaii: Supply facilities, and administrative facilities, \$4,796,000.

Communication Facilities

Naval Security Group Activity, Karamursel, Turkey: Utilities, \$105,000.

Naval Radio Facility, Londonderry, North Ireland: Troop housing, \$267,000.

Naval Radio Station, Lualualei, Oahu, Territory of Hawaii: Utilities and ground improvements, \$781,000.

Naval Security Group Activity, Okinawa: Operational facilities, \$2,038,000.

Naval Radio Station, Sebaná Seca, Puerto Rico: Utilities, \$86,000.

Naval Radio Station, Wahiawa, Oahu, Territory of Hawaii: Utilities and ground improvements, \$274,000.

Yards and Docks Facilities

Public Works Center, Guam, Mariana Islands: Utilities and ground improvements, and real estate, \$10,947,000.

Naval Station, Guantanamo Bay, Cuba: Utilities, \$760,000.

Sec. 202. The Secretary of the Navy may establish or develop classified naval installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$21,765,000.

Sec. 203. (a) The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization act would be inconsistent with interest of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$5 million: *Provided*, That the Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1960, except for those public

works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

(b) Section 203 of the act of August 20, 1958 (72 Stat. 636, 646) is hereby repealed except for those public works projects thereunder concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified prior to the date of enactment of this act.

Sec. 204. (a) In accordance with the provisions of section 407 of the act of September 1, 1954 (68 Stat. 1119, 1125), as amended, the Secretary of the Navy is authorized to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters and community facilities at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454) or through other commodity transactions of the Commodity Credit Corporation:

Naval Station, Bermuda, 100 units.

(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Navy is authorized to construct family housing for occupancy as public quarters at the following locations:

Naval Ammunition Depot, Charleston, South Carolina, 40 units.

Naval Ordnance Test Station, China Lake, California, 500 units.

Naval Auxiliary Air Station, Fallon, Nevada, 106 units.

Naval Air Station, Glyncro, Georgia, 225 units.

Naval Station, Key West, Florida, 500 units.

Naval Air Station, Lemoore, California, 500 units.

Naval Auxiliary Air Station, Mayport, Florida, 40 units.

Naval Auxiliary Air Station, Meridian, Mississippi, 320 units.

Naval Auxiliary Air Station, New Iberia, Louisiana, 178 units.

Naval Submarine Base, New London, Connecticut, 500 units.

Naval Station, Newport, Rhode Island, 500 units.

Naval Mine Defense Laboratory, Panama City, Florida, 42 units.

Marine Corps Schools, Quantico, Virginia, 250 units.

Naval Radio Research Station, Sugar Grove, West Virginia, 142 units.

Marine Corps Base, Twentynine Palms, California, 150 units.

Naval Auxiliary Air Station, Whiting Field, Florida, 229 units.

Marine Corps Auxiliary Air Station, Yuma, Arizona, 100 units.

Sec. 205. (a) Public Law 534, Eighty-third Congress, as amended, is amended by striking out in section 202, "\$72,785,000", and inserting in place thereof "\$72,935,000". (b) Public Law 534, Eighty-third Congress, as amended, is amended by striking out in clause (2) of section 502 the amounts "\$72,785,000", and "\$212,833,000", and inserting respectively in place thereof "\$72,935,000" and "\$212,983,000".

Sec. 206. (a) Public Law 968, Eighty-fourth Congress, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 201, as follows:

(1) Under the subheading "AVIATION FACILITIES (Naval Air Training Stations)", with respect to the Naval Air Station, Memphis, Tennessee, by striking out "\$511,000" and inserting in place thereof "\$664,000".

(2) Under the subheading "AVIATION FACILITIES (Marine Corps Air Stations)" with respect to the Marine Corps Air Station, Cherry Point, North Carolina, by striking out "\$273,000" and inserting in place thereof "\$330,000".

(b) Public Law 968, Eighty-fourth Congress, as amended, is amended by striking

out in clause (2) of section 402 the amounts "\$312,004,000", and "\$460,716,000" and inserting respectively in place thereof "\$312,214,000", and "\$460,926,000".

Sec. 207. (a) Public Law 85-241, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 201, as follows:

(1) Under the subheading "AVIATION FACILITIES (Marine Corps Air Stations)", with respect to the Marine Corps Air Facility, New River, North Carolina, by striking out "\$39,000" and inserting in place thereof "\$52,000".

(2) Under the subheading "MARINE CORPS FACILITIES", with respect to the Marine Corps Base, Camp Pendleton, California, by striking out "\$1,469,000" and inserting in place thereof "\$1,596,000".

(b) Public Law 85-241, as amended, is amended under the heading "OUTSIDE THE UNITED STATES" in section 201 as follows:

Under the subheading "COMMUNICATION FACILITIES" with respect to the Naval Security Group Activity, Istanbul, Turkey, by striking out "\$130,000" and inserting in place thereof "\$320,000".

(c) Public Law 85-241, as amended, is amended by striking out in clause (2) of section 502 the amounts "\$230,356,000", "\$48,199,000", and "\$337,611,000", and inserting respectively in place thereof "\$230,496,000", "\$48,389,000", and "\$337,941,000".

TITLE III

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

Inside the United States

Air Defense Command

Duluth Municipal Airport, Duluth, Minnesota: Operational facilities, maintenance facilities, and community facilities, \$766,000.

Geiger Field, Spokane, Washington: Maintenance facilities, \$190,000.

Grand Forks Air Force Base, Grand Forks, North Dakota: Training facilities, maintenance facilities, supply facilities, troop housing, and utilities, \$2,309,000.

Hamilton Air Force Base, San Rafael, California: Operational facilities, and maintenance facilities, \$1,285,000.

K. I. Sawyer Municipal Airport, Marquette, Michigan: Training facilities, maintenance facilities, supply facilities, administrative facilities, community facilities, and troop housing, \$2,779,000.

Kingsley Field, Klamath Falls, Oregon: Operational facilities, maintenance facilities, and real estate, \$955,000.

Kinross Air Force Base, Sault Sainte Marie, Michigan: Training facilities, maintenance facilities, supply facilities, and troop housing, \$1,755,000.

McChord Air Force Base, Tacoma, Washington: Maintenance facilities, and utilities, \$523,000.

Minot Air Force Base, Minot, North Dakota: Training facilities, maintenance facilities, supply facilities, troop housing, and utilities, \$3,371,000.

Otis Air Force Base, Falmouth, Massachusetts: Operational facilities, maintenance facilities, and supply facilities, \$1,078,000.

Oxnard Air Force Base, Camarillo, California: Operational facilities, and real estate, \$225,000.

Richards-Gebaur Air Force Base, Kansas City, Missouri: Maintenance facilities, community facilities, and utilities, \$866,000.

Selfridge Air Force Base, Mount Clemens, Michigan: Maintenance facilities, \$612,000.

Suffolk County Air Force Base, Westhampton Beach, New York: Operational facilities, and real estate, \$269,000.

Tyndall Air Force Base, Panama City, Florida: Operational facilities, maintenance facilities, supply facilities, troop housing, and utilities, \$4,266,000.

Alaskan Air Command

Eielson Air Force Base, Alaska: Community facilities, and utilities, \$1,181,000.

Elmendorf Air Force Base, Alaska: Operational facilities, maintenance facilities, supply facilities, and utilities, \$1,150,000.

Galena Airport, Alaska: Ground improvements, \$100,000.

King Salmon Airport, Alaska: Supply facilities, and utilities, \$1,690,000.

Ladd Air Force Base, Alaska: Maintenance facilities, \$250,000.

Various locations, Alaska: Operational and training facilities, community facilities, and utilities, \$16,510,000.

Air Materiel Command

Griffis Air Force Base, Rome, New York: Maintenance facilities, and supply facilities, \$676,000.

Hill Air Force Base, Ogden, Utah: Operational facilities, \$341,000.

Kelly Air Force Base, San Antonio, Texas: Operational and training facilities, and utilities, \$1,303,000.

McClellan Air Force Base, Sacramento, California: Operational facilities, and supply facilities, \$1,548,000.

Olmsted Air Force Base, Middletown, Pennsylvania: Operational facilities, maintenance facilities, supply facilities, medical facilities, and community facilities, \$2,676,000.

Robins Air Force Base, Macon, Georgia: Supply facilities, and troop housing, \$900,000.

Tinker Air Force Base, Oklahoma City, Oklahoma: Operational facilities, and maintenance facilities, \$1,036,000.

Wright-Patterson Air Force Base, Dayton, Ohio: Research, development, and test facilities, and supply facilities, \$12,458,000.

Air Research and Development Command

Arnold Engineering Development Center, Tullahoma, Tennessee: Research, development, and test facilities, and utilities, \$5,690,000.

Edwards Air Force Base, Muroc, California: Research, development, and test facilities, and medical facilities, \$542,000.

Eglin Air Force Base, Valparaiso, Florida: Operational facilities, maintenance facilities, and research, development, and test facilities, \$833,000.

Holloman Air Force Base, Alamogordo, New Mexico: Research, development, and test facilities, and utilities, \$909,000.

Laurence G. Hanscom Field, Bedford, Massachusetts: Training facilities, and research, development, and test facilities, \$2,258,000.

Patrick Air Force Base, Cocoa, Florida: Operational facilities, research, development, and test facilities, and real estate, \$1,822,000.

Sacramento Peak Upper Air Research Site, Alamogordo, New Mexico: Research, development, and test facilities, and utilities, \$616,000.

Air Training Command

Amarillo Air Force Base, Amarillo, Texas: Training facilities, maintenance facilities, supply facilities, and utilities, \$1,828,000.

James Connally Air Force Base, Waco, Texas: Operational facilities, \$216,000.

Lackland Air Force Base, San Antonio, Texas: Training facilities, and utilities, \$1,307,000.

Lowry Air Force Base, Denver, Colorado: Operational facilities, \$405,000.

Mather Air Force Base, Sacramento, California: Maintenance facilities, supply facilities, and community facilities, \$1,598,000.

Perrin Air Force Base, Sherman, Texas: Maintenance facilities, \$408,000.

Sheppard Air Force Base, Wichita Falls, Texas: Operational facilities, maintenance facilities, supply facilities, and hospital facilities, \$7,741,000.

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Vance Air Force Base, Enid, Oklahoma: Operational facilities, \$250,000.

Webb Air Force Base, Big Spring, Texas: Operational facilities, maintenance facilities, ground improvements, and real estate, \$2,193,000.

Air University

Gunter Air Force Base, Montgomery, Alabama: Administrative facilities, and troop housing, \$1,915,000.

Maxwell Air Force Base, Montgomery, Alabama: Operational facilities, \$391,000.

Headquarters Command

Andrews Air Force Base, Camp Springs, Maryland: Operational facilities, maintenance facilities, supply facilities, community facilities, utilities, and real estate, \$21,357,000.

Military Air Transport Service

Charleston Air Force Base, Charleston, South Carolina: Operational facilities, maintenance facilities, and community facilities, \$822,000.

Dover Air Force Base, Dover, Delaware: Operational facilities, maintenance facilities, and utilities, \$750,000.

McGuire Air Force Base, Wrightstown, New Jersey: Operational facilities, maintenance facilities, and utilities, \$1,083,000.

Scott Air Force Base, Belleville, Illinois: Supply facilities, \$253,000.

Strategic Air Command

Barksdale Air Force Base, Shreveport, Louisiana: Maintenance facilities, \$110,000.

Beale Air Force Base, Marysville, California: Operational facilities, supply facilities, and ground improvements, \$569,000.

Bergstrom Air Force Base, Austin, Texas: Operational facilities, \$300,000.

Biggs Air Force Base, El Paso, Texas: Operational facilities, and maintenance facilities, \$416,000.

Blytheville Air Force Base, Blytheville, Arkansas: Maintenance facilities, supply facilities, and troop housing, \$1,099,000.

Bunker Hill Air Force Base, Peru, Indiana: Operational facilities, maintenance facilities, supply facilities, community facilities, and utilities, \$1,725,000.

Carswell Air Force Base, Fort Worth, Texas: Operational facilities, and maintenance facilities, \$1,484,000.

Castle Air Force Base, Merced, California: Maintenance facilities, ground improvements, and real estate, \$425,000.

Chennault Air Force Base, Lake Charles, Louisiana: Utilities, and ground improvements, \$350,000.

Clinton County Air Force Base, Wilmington, Ohio: Hospital facilities, troop housing, community facilities, and utilities, \$4,075,000.

Clinton-Sherman Air Force Base, Clinton, Oklahoma: Operational facilities, maintenance facilities, and supply facilities, \$621,000.

Columbus Air Force Base, Columbus, Mississippi: Operational facilities, supply facilities, and community facilities, \$264,000.

Davis Monthan Air Force Base, Tucson, Arizona: Operational facilities, and maintenance facilities, \$895,000.

Dow Air Force Base, Bangor, Maine: Operational facilities, maintenance facilities, and supply facilities, \$1,260,000.

Dyess Air Force Base, Abilene, Texas: Operational facilities, \$292,000.

Ellsworth Air Force Base, Rapid City, South Dakota: Operational facilities, and maintenance facilities, \$1,445,000.

Fairchild Air Force Base, Spokane, Washington: Operational facilities, \$158,000.

Forbes Air Force Base, Topeka, Kansas: Operational facilities, \$762,000.

Francis E. Warren Air Force Base, Cheyenne, Wyoming: Administrative facilities, troop housing, community facilities and utilities, \$1,461,000.

Glasgow Air Force Base, Glasgow, Montana: Operational facilities, maintenance

facilities, supply facilities, troop housing, community facilities, and utilities, \$3,711,000.

Homestead Air Force Base, Homestead, Florida: Operational facilities, \$6,364,000.

Hunter Air Force Base, Savannah, Georgia: Operational facilities, \$410,000.

Larson Air Force Base, Moses Lake, Washington: Operational facilities, and supply facilities, \$1,036,000.

Lincoln Air Force Base, Lincoln, Nebraska: Maintenance facilities, \$164,000.

Little Rock Air Force Base, Little Rock, Arkansas: Operational facilities, \$325,000.

Loring Air Force Base, Limestone, Maine: Maintenance facilities, \$48,000.

MacDill Air Force Base, Tampa, Florida: Maintenance facilities, and supply facilities, \$866,000.

Malmstrom Air Force Base, Great Falls, Montana: Maintenance facilities, \$1,066,000.

March Air Force Base, Riverside, California: Operational facilities, \$6,052,000.

McConnell Air Force Base, Wichita, Kansas: Operational facilities, and community facilities, \$1,039,000.

McCoy Air Force Base, Orlando, Florida: Operational facilities, maintenance facilities, supply facilities, and utilities, \$3,402,000.

Mountain Home Air Force Base, Mountain Home, Idaho: Operational facilities, and troop housing, \$1,361,000.

Offutt Air Force Base, Omaha, Nebraska: Operational facilities, maintenance facilities, and utilities, \$1,802,000.

Pease Air Force Base, Portsmouth, New Hampshire: Operational facilities, and maintenance facilities, \$542,000.

Plattsburgh Air Force Base, Plattsburgh, New York: Operational facilities, and maintenance facilities, \$1,134,000.

Richard Bong Air Force Base, Kansasville, Wisconsin: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, community facilities, and utilities, \$21,533,000.

Schilling Air Force Base, Salina, Kansas: Operational facilities, \$4,147,000.

Turner Air Force Base, Albany, Georgia: Operational facilities, maintenance facilities, and community facilities, \$1,505,000.

Vandenberg Air Force Base, Lompoc, California: Operational facilities, and real estate \$147,000.

Walker Air Force Base, Roswell, New Mexico: Operational facilities, and ground improvements, \$942,000.

Whiteman Air Force Base, Knobnoster, Missouri: Operational facilities, maintenance facilities, and supply facilities, \$2,406,000.

Wurtsmith Air Force Base, Oscoda, Michigan: Operational facilities, maintenance facilities, supply facilities, and utilities, \$2,484,000.

Tactical Air Command

Cannon Air Force Base, Clovis, New Mexico: Maintenance facilities, \$800,000.

England Air Force Base, Alexandria, Louisiana: Operational facilities, maintenance facilities, supply facilities, and utilities, \$2,468,000.

George Air Force Base, Victorville, California: Hospital facilities, \$2,222,000.

Langley Air Force Base, Hampton, Virginia: Maintenance facilities, \$540,000.

Myrtle Beach Air Force Base, Myrtle Beach, South Carolina: Maintenance facilities, \$151,000.

Nellis Air Force Base, Las Vegas, Nevada: Operational facilities, and maintenance facilities, \$672,000.

Sewart Air Force Base, Smyrna, Tennessee: Maintenance facilities, \$3,249,000.

Seymour-Johnson Air Force Base, Goldsboro, North Carolina: Operational and training facilities, maintenance facilities, supply facilities, troop housing, and utilities, \$3,150,000.

Shaw Air Force Base, Sumter, South Carolina: Maintenance facilities, \$715,000.

Williams Air Force Base, Chandler, Arizona: Operational facilities, and maintenance facilities, \$246,000.

Aircraft Control and Warning System

Various locations: Operational facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, family housing, troop housing, community facilities, utilities, and real estate, \$77,405,000.

Outside the United States

Military Air Transport Service

Various locations: Operational facilities, and utilities, \$2,249,000.

Pacific Air Forces

Wake Island: Supply facilities, troop housing, community facilities, and utilities, \$2,211,000.

Various locations: Operational facilities, maintenance facilities, supply facilities, hospital facilities, medical facilities, troop housing, community facilities, utilities, and ground improvements, \$21,352,000.

Strategic Air Command

Andersen Air Force Base, Guam: Supply facilities, and utilities, \$374,000.

Ramey Air Force Base, Puerto Rico: Operational facilities, and supply facilities, \$1,309,000.

Various locations: Operational facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, \$6,996,000.

United States Air Forces in Europe

Various locations: Operational facilities, maintenance facilities, medical facilities, troop housing, community facilities, and utilities, \$8,590,000.

United States Security Service

Various locations: Operational facilities, maintenance facilities, supply facilities, troop housing, community facilities, and utilities, \$4,908,000.

Special Facilities

Various locations: Operational facilities, \$105,000.

Aircraft Control and Warning System

Various locations: Operational facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities, utilities, and ground improvements, \$16,987,000.

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities for ballistic, strategic, and defense missiles and ballistic missile detection by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of \$443,541,000.

SEC. 303. (a) The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$15,000,000: *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of

construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1960, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

(b) Section 303 of the Act of August 20, 1958 (72 Stat. 636, 655) is hereby repealed except for those public works projects thereunder concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified prior to the date of enactment of this Act.

SEC. 304. (a) In accordance with the provisions of section 407 of the Act of September 1, 1954 (68 Stat. 1119, 1125), as amended, the Secretary of the Air Force is authorized to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters and community facilities at the following locations by utilizing foreign currencies acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454), or through other commodity transactions of the Commodity Credit Corporation: Various locations, France, 300 units.

Alconbury RAF Station, United Kingdom, 203 units and community facilities.

Bentwater RAF Station, United Kingdom, 187 units and community facilities.

Burderop Park Hospital, United Kingdom, 152 units and community facilities.

Croughton RAF Station, United Kingdom, 31 units.

Greenham Common RAF Station, United Kingdom, 135 units.

High Wycombe RAF Station, United Kingdom, 136 units.

Lakenheath-Mildenhall Area, United Kingdom, 468 units and hospital facilities.

Ruislip (West) RAF Station, United Kingdom, community facilities.

Sculthorpe RAF Station, United Kingdom, 61 units and community facilities.

Welford RAF Station, United Kingdom, 31 units.

Wethersfield RAF Station, United Kingdom, community facilities.

Woodbridge RAF Station, United Kingdom, community facilities.

Classified locations, 343 units and community facilities.

(b) In accordance with the provisions of title IV of the Housing Amendments of 1955 (69 Stat. 646), as amended, the Secretary of the Air Force is authorized to construct family housing for occupancy as public quarters at the following locations:

Blytheville Air Force Base, Arkansas, 470 units.

Bunker Hill Air Force Base, Indiana, 300 units.

Charleston Air Force Base, South Carolina, 350 units.

Clinton County Air Force Base, Ohio, 150 units.

Clinton-Sherman Air Force Base, Oklahoma, 300 units.

Columbus Air Force Base, Mississippi, 340 units.

Craig Air Force Base, Alabama, 200 units.

Dover Air Force Base, Delaware, 250 units.

Dow Air Force Base, Maine, 480 units.

Ellsworth Air Force Base, South Dakota, 190 units.

Glasgow Air Force Base, Montana, 500 units.

Grand Forks Air Force Base, North Dakota, 470 units.

Keesler Air Force Base, Mississippi, 240 units.

Kinross Air Force Base, Michigan, 285 units.

K. I. Sawyer Air Force Base, Michigan, 260 units.

Larson Air Force Base, Washington, 330 units.

Laughlin Air Force Base, Texas, 110 units.

Malmstrom Air Force Base, Montana, 560 units.

Mather Air Force Base, California, 230 units.

Minot Air Force Base, North Dakota, 320 units.

Mountain Home Air Force Base, Idaho, 550 units.

Offutt Air Force Base, Nebraska, 300 units.

Perrin Air Force Base, Texas, 260 units.

Vance Air Force Base, Oklahoma, 170 units.

Vandenberg Air Force Base, California, 400 units.

Whiteman Air Force Base, Missouri, 350 units.

Wurtsmith Air Force Base, Michigan, 390 units.

SEC. 305. (a) Public Law 85-241, as amended, is amended, under the heading "OUTSIDE THE UNITED STATES" in section 301 as follows:

Under the subheading "ALASKAN AIR COMMAND", with respect to Ladd Air Force Base, strike out "\$1,630,000" and insert in place thereof "\$1,895,000."

(b) Public Law 85-241, as amended, is amended by striking out in clause (3) of section 502 the amounts "\$160,705,000", and "\$607,460,000" and inserting in place thereof "\$160,970,000" and "\$607,725,000", respectively.

SEC. 306. (a) Public Law 85-685, is amended, under the heading "INSIDE THE UNITED STATES" in section 301 as follows:

Under the subheading "STRATEGIC AIR COMMAND"—

(1) with respect to Malmstrom Air Force Base, Great Falls, Montana, strike out "\$1,832,000" and insert in place thereof "\$2,182,000".

(2) with respect to Offutt Air Force Base, Omaha, Nebraska, strike out "\$3,265,000" and insert in place thereof "\$3,890,000".

(3) with respect to Richard Bong Air Force Base, Kansasville, Wisconsin, strike out "\$15,552,000" and insert in place thereof "\$16,655,000".

(b) Public Law 85-685 is amended by striking out in clause (3) of section 502 the amounts "\$452,161,000" and "\$952,415,000", inserting in place thereof "\$544,239,000" and "\$954,493,000", respectively.

TITLE IV

General Provisions

SEC. 401. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to sections 3648 and 3734 of the Revised Statutes, as amended (31 U.S.C. 529; 40 U.S.C. 259, 267), and sections 4774(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 402. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, and IV shall not exceed—

(1) for title I: Inside the United States, \$86,505,000; outside the United States, \$24,210,000; section 102, \$83,330,000; section 103, \$5,000,000; or a total of \$199,045,000.

(2) for title II: Inside the United States, \$113,253,000; outside the United States, \$42,265,000; section 202, \$21,765,000; section 203, \$5,000,000; or a total of \$182,283,000.

(3) for title III: Inside the United States, \$295,100,000; outside the United States,

\$65,081,000; section 302, \$443,541,000; section 303, \$5,000,000; or a total of \$808,722,000.

SEC. 403. Any of the amounts named in titles I, II, and III of this Act may, in the discretion of the Secretary concerned, be increased by 5 per centum for projects inside the United States (other than Alaska) and by 10 per centum for projects outside the United States or in Alaska. However, the total cost of all projects in each such title may not be more than the total amount authorized to be appropriated for projects in that title.

SEC. 404. Whenever—

(1) the President determines that compliance with section 2313(b) of title 10, United States Code, for contracts made under this Act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this Act; and

(2) the Secretary of Defense and the Comptroller General have agreed upon alternative methods of adequately auditing those contracts;

the President may exempt those contracts from the requirements of that section.

SEC. 405. Contracts for construction made by the United States for performance within the United States, its Territories and possessions, under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army or the Bureau of Yards and Docks, Department of the Navy, unless the Secretary of Defense determines that because such jurisdiction and supervision is wholly impracticable such contracts should be executed under the jurisdiction and supervision of another Department or Government agency, and shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report semiannually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

SEC. 406. As of July 1, 1960, all authorizations for military public works to be accomplished by the Secretary of a military department in connection with the establishment or development of military installations and facilities, and all authorizations for appropriations therefor, that are contained in Acts approved before August 31, 1957, and not superseded or otherwise modified by a later authorization are repealed, except—

(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions;

(2) the authorization for public works projects as to which appropriated funds have been obligated for construction contracts or land acquisitions in whole or in part before July 1, 1960, and authorizations for appropriations therefor;

(3) the authorization for the rental guarantee for family housing in the amount of \$100,000,000 that is contained in section 302 of the Act of July 14, 1952 (66 Stat. 606, 622);

(4) the authorization for the development of the Line of Communications, France, in the amount of \$10,000,000 that is contained in title I, section 102, of the Act of July 14, 1952 (66 Stat. 606, 609);

(5) the authorization for development of classified facilities in the amount of \$6,439,000 that is contained in title I, section 102, of the Act of September 28, 1951 (65 Stat. 336, 343);

(6) the authorization for public works and for the appropriation of funds that are contained in the Act of April 1, 1954 (68 Stat. 47), as amended;

(7) Notwithstanding the provisions of section 507 of the Act of August 20, 1958 (72 Stat. 636, 661), the authorization for:

(a) family housing at a classified installation in the amount of \$2,234,000 that is contained in title I, section 101, of the Act of July 15, 1955 (69 Stat. 324, 328);

(b) classified facilities in the amount of \$369,000 that is contained in title I, section 102, of the Act of July 15, 1955 (69 Stat. 324, 328);

(c) the United States Army, Europe in the amount of \$6,925,000 that is contained in title I section 101, of the Act of August 3, 1956 (70 Stat. 991, 994);

(d) the Caribbean Command Area, in the amount of \$1,060,000 that is contained in title I, section 101, of the Act of August 3, 1956 (70 Stat. 991, 994);

(e) classified facilities in the amount of \$6,300,000 that is contained in title I, section 102, of the Act of August 3, 1956 (70 Stat. 991, 994);

(f) land acquisition and obstruction removal for flight clearance in the amount of \$754,000 at various locations that is contained in title II, section 201, under the heading "CONTINENTAL UNITED STATES" and subheading "AVIATION FACILITIES (Special Purpose Air Stations)" of the Act of July 15, 1955 (69 Stat. 324, 332), as amended;

(g) operational facilities in the amount of \$700,000 at the Naval Air Station, Jacksonville, Florida that is contained in title II, section 201, under the heading "INSIDE THE UNITED STATES" and subheading "AVIATION FACILITIES (Fleet Support Air Stations)" in the Act of August 3, 1956 (70 Stat. 991, 996), as amended.

(h) the authorization for the construction of family housing contained in the Act of July 15, 1955 (69 Stat. 324), to the extent that section 504 of the Act of August 20, 1958 (72 Stat. 636, 660), made available such authorization for the construction of family housing for the Department of the Army at Carlisle Barracks, Pennsylvania, Fort Benjamin Harrison, Indiana, and Fort Shafter, Hawaii, and for the Department of the Air Force at Sundance, Wyoming, and at four locations outside the United States.

(i) the authorization for the construction of medical facilities in the amount of \$5,000,000 for Camp Jackson, South Carolina, that is contained in title I, section 101, of the Act of July 15, 1955 (69 Stat. 324, 326).

SEC. 407. Section 515 of the Act of July 15, 1955 (69 Stat. 324, 352), as amended, is further amended to read as follows:

"Sec. 515. During fiscal years 1959 through and including 1962, the Secretaries of the Army, Navy, and Air Force, respectively, are authorized to lease housing facilities at or near military tactical installations for assignment as public quarters to military personnel and their dependents, if any, without rental charge upon a determination by the Secretary of Defense, or his designee, that there is a lack of adequate housing facilities at or near such military tactical installations. Such housing facilities shall be leased on a family or individual unit basis and not more than seven thousand five hundred of such units may be so leased at any one time. Expenditures for the rental of such housing facilities may be made out of appropriations available for maintenance and operation but may not exceed \$150 a month for any such unit."

SEC. 408. Subsection (a) of section 406 of the Act of August 30, 1957 (71 Stat. 531, 556), as amended, is amended to read as follows:

"(a) Notwithstanding the provisions of any other law, and effective July 1, 1958, no family housing units shall be contracted for or acquired at or in support of military installations or activities unless the actual number of units involved has been specifically authorized by an annual military con-

struction authorization Act except (1) housing units acquired pursuant to the provisions of section 404 of the Housing Amendments of 1955; (2) rental guarantee family housing authorized under section 302 of the Act of July 14, 1952 (66 Stat. 606, 622); and (3) housing units leased for terms of one year, whether renewable or not, or for terms of not more than five years pursuant to the provisions of section 2675 of title 10, United States Code."

SEC. 409. Title 10, United States Code, is amended as follows:

(a) Section 4774 is amended by adding the following new subsection at the end thereof:

"(g) Not more than 10 percent of the family quarters constructed from appropriated funds for officers of the Army may be four-bedroom quarters having a net floor area of 1,400 square feet or less for occupancy by officers holding grades below major."

(b) Section 7574 is amended by adding the following new subsection at the end thereof:

"(e) Not more than 10 percent of the family quarters constructed from appropriated funds for officers of the Navy may be four-bedroom quarters having a net floor area of 1,400 square feet or less for occupancy by officers holding grades below lieutenant commander."

(c) Section 9774 is amended by adding the following new subsection at the end thereof:

"(g) Not more than 10 percent of the family quarters constructed from appropriated funds for officers of the Air Force may be four-bedroom quarters having a net floor area of 1,400 square feet or less for occupancy by officers holding grades below major."

SEC. 410. To the extent that any authority provided by the Act of August 20, 1958 (72 Stat. 636), or this Act, for the construction of appropriated fund family housing at locations in foreign countries is not utilized, the construction or acquisition of the number of housing units so authorized may be accomplished at the same locations under the authority of section 407 of the Act of September 1, 1954 (68 Stat. 1119, 1125), as amended.

SEC. 411. None of the authority contained in titles I, II, and III of this Act shall be deemed to authorize any building construction project within the continental United States (other than Alaska) at a unit cost in excess of—

(1) \$32 per square foot for cold-storage warehousing;

(2) \$6 per square foot for regular warehousing;

(3) \$1,850 per man for permanent barracks;

(4) \$8,500 per man for bachelor officer quarters; unless the Secretary of Defense determines that, because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable.

SEC. 412. Section 4 of the Act of April 3, 1958 (72 Stat. 78) is amended by striking out "\$500,000" and inserting in place thereof "\$900,000."

SEC. 413. Titles I, II, III, and IV of this Act may be cited as the "Military Construction Act of 1959".

TITLE V

Reserve forces facilities

SEC. 501. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop the following facilities for reserve forces:

(1) For Department of the Army:

Army Reserve

Akron (Number 2), Ohio: Training facilities, \$574,000.

Allentown-Bethlehem, Pennsylvania: Training facilities, \$302,000.

Anderson, Indiana: Training facilities, \$136,000.

Ann Arbor, Michigan: Training facilities, \$317,000.

Aurora, Illinois: Training facilities, \$302,000.

Bardstown, Kentucky: Training facilities, \$160,000.

Beaver Dam, Wisconsin: Training facilities, \$176,000.

Bellaire, Ohio: Training facilities, \$302,000.

Bloomington, Illinois: Training facilities, \$168,000.

Bloomington, Indiana: Training facilities, \$302,000.

Bridgeport-Fairfield, Connecticut: Training facilities addition, \$64,000.

Bronx, New York: Training facilities, \$98,000.

Brownsville, Texas: Training facilities, \$152,000.

Butler, Pennsylvania: Training facilities, \$136,000.

Champaign, Illinois: Training facilities, \$302,000.

Chicago Heights, Illinois: Training facilities, \$302,000.

Chico, California: Training facilities, \$168,000.

Cumberland, Maryland: Training facilities, \$288,000.

Dallas (Number 2), Texas: Training facilities addition, \$64,000.

Dayton, Ohio: Training facilities, \$48,000.

Delaware, Ohio: Training facilities, \$302,000.

Detroit (Number 1), Michigan: Training facilities, \$602,000.

Detroit (Number 2), Michigan: Training facilities, \$602,000.

Duluth, Minnesota: Training facilities, \$317,000.

East Saint Louis, Illinois: Training facilities, \$156,000.

El Dorado, Arkansas: Training facilities, \$152,000.

Evanston, Illinois: Training facilities, \$574,000.

Flint, Michigan: Training facilities, \$551,000.

Fort Smith, Arkansas: Training facilities, \$152,000.

Fulton, Missouri: Training facilities, \$160,000.

Gadsden, Alabama: Training facilities, \$144,000.

Galveston, Texas: Training facilities, \$152,000.

Gettysburg, Pennsylvania: Training facilities, \$168,000.

Glens Falls, New York: Training facilities, \$176,000.

Hammond, Indiana: Training facilities, \$168,000.

Harrison, Arkansas: Training facilities, \$152,000.

Jefferson City, Missouri: Training facilities, \$288,000.

Joliet, Illinois: Training facilities, \$302,000.

Kankakee, Illinois: Training facilities, \$168,000.

La Crosse, Wisconsin: Training facilities, \$317,000.

Lafayette, Louisiana: Training facilities, \$152,000.

Malone, New York: Training facilities, \$176,000.

Mankato, Minnesota: Training facilities, \$176,000.

Marion, Ohio: Training facilities, \$168,000.

Meadeville, Pennsylvania: Training facilities, \$168,000.

Milwaukee (West), Wisconsin: Training facilities, \$602,000.

Morristown, New Jersey: Training facilities, \$317,000.

Mount Vernon, Ohio: Training facilities, \$168,000.

Muncie, Indiana: Training facilities, \$168,000.

Muskogee, Oklahoma: Training facilities, \$288,000.

New Orleans (Number 1), Louisiana: Training facilities, \$520,000.

Odessa, Texas: Training facilities, \$152,000.

Okmulgee, Oklahoma: Training facilities, \$160,000.

Olean, New York: Training facilities, \$176,000.

Oswego, New York: Training facilities, \$176,000.

Painesville, Ohio: Training facilities, \$168,000.

Pittsburgh (Number 3), Pennsylvania: Training facilities, \$574,000.

Purcell, Oklahoma: Training facilities, \$160,000.

Rolla, Missouri: Training facilities, \$160,000.

Rutland, Vermont: Training facilities, \$143,000.

Sacramento, California: Training facilities addition, \$61,000.

Saint Cloud, Minnesota: Training facilities, \$330,000.

Salem, Oregon: Training facilities, \$61,000.

San Antonio (Number 2), Texas: Training facilities, \$520,000.

San Diego, California: Training facilities, \$526,000.

San Marcos, Texas: Training facilities, \$152,000.

Santa Barbara, California: Training facilities, \$136,000.

Savannah, Georgia: Training facilities, \$259,000.

Springfield, Missouri: Training facilities addition, \$73,000.

Uniontown, Pennsylvania: Training facilities, \$220,000.

Vallejo, California: Training facilities, \$302,000.

Washington, Iowa: Training facilities, \$160,000.

Washington, Missouri: Training facilities, \$160,000.

Washington, Pennsylvania: Training facilities, \$136,000.

Wenatchee, Washington: Training facilities, \$168,000.

Westminster, Maryland: Training facilities, \$160,000.

Various locations: Training facilities minor additions, \$1,788,000.

Land acquisition: Training facilities, \$800,000.

Army National Guard of the United States (Armory)

Amsterdam, New York: Training facilities, \$55,000.

Anchorage, Alaska: Training facilities, \$276,000.

Baltimore (Dundalk), Maryland: Training facilities, \$215,000.

Bayamon, Puerto Rico: Training facilities, \$150,000.

Beebe, Arkansas: Training facilities, \$45,000.

Belen, New Mexico: Training facilities, \$57,000.

Benson, North Carolina: Training facilities, \$105,000.

Birmingham, Alabama: Training facilities, \$160,000.

Buffalo, New York: Training facilities, \$75,000.

Butte, Montana: Training facilities, \$70,000.

Cape May Court House, New Jersey: Training facilities, \$250,000.

Colby, Kansas: Training facilities, \$80,000.

Colville, Washington: Training facilities, \$150,000.

Dermott, Arkansas: Training facilities, \$45,000.

De Witt, Arkansas: Training facilities, \$45,000.

Donna, Texas: Training facilities, \$99,000.

Dover, New Jersey: Training facilities, \$250,000.

Durant, Mississippi: Training facilities, \$54,000.

Elizabeth City, North Carolina: Training facilities, \$105,000.

Enosburg Falls, Vermont: Training facilities, \$169,000.

Farmington, Missouri: Training facilities, \$115,000.

Gainesville, Georgia: Training facilities, \$90,000.

Greeley, Colorado: Training facilities, \$132,000.

Hazen, Arkansas: Training facilities, \$45,000.

Heber Springs, Arkansas: Training facilities, \$90,000.

Idaho Falls, Idaho: Training facilities, \$105,000.

Inman, South Carolina: Training facilities, \$99,000.

Iuka, Mississippi: Training facilities, \$54,000.

Johnstown, Pennsylvania: Training facilities, \$375,000.

Jonesville, South Carolina: Training facilities, \$99,000.

Lancaster, Ohio: Training facilities, \$160,000.

Leominster, Massachusetts: Training facilities, \$200,000.

Milan, Tennessee: Training facilities, \$91,000.

Milwaukee, Wisconsin: Training facilities, \$235,000.

Mount Olive, North Carolina: Training facilities, \$105,000.

New Brockton, Alabama: Training facilities, \$70,000.

Olean, New York: Training facilities, \$46,000.

Omaha, Nebraska: Training facilities, \$450,000.

Oswego, New York: Training facilities, \$52,000.

Plentywood, Montana: Training facilities, \$63,000.

Ponce, Puerto Rico: Training facilities, \$150,000.

Princeton, West Virginia: Training facilities, \$60,000.

Quitman, Mississippi: Training facilities, \$54,000.

Riverdale, New Jersey: Training facilities, \$250,000.

Ronceverte, West Virginia: Training facilities, \$54,000.

Roswell, New Mexico: Training facilities, \$200,000.

Saint Paul, Minnesota: Training facilities, \$565,000.

Salem, Oregon: Training facilities, \$160,000.

San German, Puerto Rico: Training facilities, \$150,000.

Savannah, Georgia: Training facilities, \$600,000.

Silver City, New Mexico: Training facilities, \$60,000.

Tomahawk, Wisconsin: Training facilities, \$160,000.

Troy, New York: Training facilities, \$47,000.

Webb, Mississippi: Training facilities, \$54,000.

Various locations: Training facilities minor conversions, \$84,000.

Army National Guard of the United States (Nonarmory)

Bismarck, North Dakota: Maintenance facilities, \$57,000.

Buckhannon, West Virginia: Administrative and supply facilities, \$206,000.

Camp Drum, New York: Maintenance facilities, \$308,000.

Hayward, Wisconsin: Maintenance facilities, \$52,000.

Jersey City, New Jersey: Maintenance facilities, \$49,000.

(2) For Department of the Navy:

Naval Reserve (Aviation)

Naval Air Station (Dobbins Air Force Base), Atlanta, Georgia: Operational facilities, supply facilities, and utilities and ground improvements, \$838,000.

Naval Air Station, Dallas, Texas: Operational facilities and supply facilities, \$348,000.

Naval Air Station, Glenview, Illinois: Operational facilities, \$59,000.

Naval Air Station, Grosse Ile, Michigan: Operational facilities and utilities, \$771,000.

Naval Air Station, Los Alamitos, California: Operational facilities, supply facilities, and utilities, \$563,000.

Naval Air Station, New Orleans, Louisiana: Supply facilities and maintenance facilities, \$178,000.

Naval Air Station, Olathe, Kansas: Operational facilities, \$192,000.

Naval Air Station, South Weymouth, Massachusetts: Operational facilities, \$76,000.

Naval Air Station, Willow Grove, Pennsylvania: Operational facilities, supply facilities, and medical facilities, \$797,000.

Naval Reserve (Surface)

Naval and Marine Corps Reserve Training Center, Beaumont, Texas: Operational facilities, \$65,000.

Naval Reserve Electronics Facility, Champaign, Illinois: Training facilities, \$70,000.

Naval Reserve Training Center, Cleveland, Ohio: Training facilities, \$655,000.

Naval Reserve Training Center, Galveston, Texas: Operational facilities, \$204,000.

Naval Reserve Electronics Facility, Kingsville, Texas: Training facilities, \$35,000.

Naval Reserve Training Center, New Haven, Connecticut: Operational facilities, \$323,000.

Naval and Marine Corps Reserve Training Center, Saint Louis, Missouri: Training facilities, \$697,000.

Naval Reserve Training Center, San Diego, California: Operational facilities, \$226,000.

Naval Reserve Training Center, Whitestone, New York: Operational facilities, \$104,000.

Marine Corps Reserve (Ground)

Marine Corps Reserve Training Center, Chicago, Illinois: Training facilities, \$518,000.

Marine Corps Reserve Training Center, Johnson City, Tennessee: Training facilities and land acquisition, \$330,000.

Naval and Marine Corps Reserve Training Center, Saint Louis, Missouri: Training facilities, \$370,000.

Marine Corps Reserve Training Center, San Rafael, California: Training facilities, \$490,000.

Marine Corps Reserve Training Center, Tampa, Florida: Training facilities, \$391,000.

(3) For Department of the Air Force:

Air Force Reserve

Bakalar Air Force Base, Columbus, Indiana: Supply facilities and operational facilities, \$364,000.

Davis Field, Muskogee, Oklahoma: Troop housing and utilities, \$92,000.

Ellington Air Force Base, Houston, Texas: Operational facilities, \$823,000.

General Mitchell Field, Milwaukee, Wisconsin: Troop housing, \$43,000.

O'Hare International Airport, Chicago, Illinois: Operational facilities, maintenance facilities and utilities, \$1,890,000.

Portland International Airport, Portland, Oregon: Operational facilities, \$588,000.

Richards-Gebaur Air Force Base, Kansas City, Missouri: Supply facilities, \$105,000.

Willow Grove Naval Air Station, Philadelphia, Pennsylvania: Maintenance facilities, supply facilities and troop housing, \$188,000.

Air National Guard of the United States

Alpena County Airport, Alpena, Michigan: Operational facilities, \$105,000.

New Orleans Naval Air Station, New Orleans, Louisiana: Operational facilities and supply facilities, \$274,000.

Baer Field, Fort Wayne, Indiana: Operational facilities, \$238,000.

Bethel Air National Guard Base, Bethel, Minnesota: Utilities and ground improvements, \$4,963,000.

Buckley Naval Air Station, Denver, Colorado: Operational facilities, \$426,000.

Burlington Municipal Airport, Burlington, Vermont: Maintenance facilities, \$123,000.

Camp Williams, Camp Douglas, Wisconsin: Operational facilities, \$82,000.

Cheyenne Municipal Airport, Cheyenne, Wyoming: Operational facilities, \$238,000.

Dow Air Force Base, Bangor, Maine: Maintenance facilities, \$123,000.

Geiger Field, Spokane, Washington: Maintenance facilities, \$245,000.

Haleakala Aircraft Control and Warning Facility, Maui, Hawaii: Operational facilities, \$446,000.

Hancock Field, Syracuse, New York: Operational facilities, \$596,000.

Hector Field, Fargo, North Dakota: Operational facilities, \$946,000.

Hubbard Field, Reno, Nevada: Operational facilities, \$259,000.

Hulman Field, Terre Haute, Indiana: Operational facilities, \$238,000.

Kokee Aircraft Control and Warning Facility, Kaula, Hawaii: Operational facilities, \$283,000.

Little Rock Air Force Base, Little Rock, Arkansas: Operational facilities, supply facilities and maintenance facilities, \$2,323,000.

Memphis Municipal Airport, Memphis, Tennessee: Operational facilities, maintenance facilities and supply facilities, \$1,825,000.

Peoria Municipal Airport, Greater Peoria, Illinois: Operational facilities, \$192,000.

San Juan International Airport, San Juan, Puerto Rico: Operational facilities and supply facilities, \$943,000.

Sioux Falls (Foss Field), Sioux Falls, South Dakota: Maintenance facilities, \$123,000.

Springfield Municipal Airport, Springfield, Ohio: Operational facilities, \$105,000.

Truax Field, Madison, Wisconsin: Maintenance facilities, \$123,000.

Will Rogers Field, Oklahoma City, Oklahoma: Operational facilities, \$317,000.

(4) For all reserve components: Facilities made necessary by changes in the assignment of weapons or equipment to reserve forces units, if the Secretary of Defense or his designee determines that deferral of such facilities for inclusion in the next law authorizing appropriations for specific facilities for reserve forces would be inconsistent with the interests of national security and if the Secretary of Defense or his designee notifies the Senate and the House of Representatives immediately upon reaching a final decision to implement, of the nature and estimated cost of any facility to be undertaken under this subsection: *Provided*, That the first sentence of section 2233a of title 10, United States Code, shall not apply to facilities authorized by this subsection.

SEC. 502. (a) Public Law 85-685, is amended under the heading "NAVAL RESERVE (AVIATION)" in clause (1) of section 603 by striking out the following:

"Naval Air Station, Denver, Colorado: Maintenance facilities, utilities, and land acquisition, \$652,000."

"Naval Air Station, Niagara Falls, New York: Operational and training facilities, and utilities, \$652,000."

(b) Public Law 85-685, is amended under the heading "AIR NATIONAL GUARD OF THE UNITED STATES" in clause (2) of section 603 as follows:

(1) With respect to Barnes Field, Westfield, Massachusetts, strike out "\$740,000" and insert in place thereof "\$1,030,000".

(2) With respect to various locations: Runway arrester barriers, strike out "\$300,000" and insert in place thereof "\$480,000".

(c) Public Law 85-685 is amended under the heading "ARMY RESERVE" in clause (3) of section 603 as follows:

(1) With respect to Canton, Ohio, strike out "\$40,000" and insert in place thereof "\$61,000".

(2) With respect to Greenwood, South Carolina, strike out "\$85,000" and insert in place thereof "\$117,000".

(3) With respect to Johnstown, Pennsylvania, strike out "\$99,000" and insert in place thereof "\$136,000".

(d) Public Law 85-685 is amended under the heading "ARMY NATIONAL GUARD OF THE UNITED STATES (ARMORY)" in clause 3 of section 603 by striking out the following:

"Bethlehem, Pennsylvania: Training facilities, \$45,000."

"Carlisle, Pennsylvania: Training facilities, \$45,000."

"Chester, Pennsylvania: Training facilities, \$206,000."

"Clayton, New Mexico: Training facilities, \$57,000."

"Ligonier, Pennsylvania: Training facilities, \$45,000."

"Northwest Saint Paul, Minnesota: Training facilities, \$130,000."

"Princeton, New Jersey: Training facilities, \$175,000."

"Salem, New Jersey: Training facilities, \$15,000."

(e) Public Law 85-685 is amended by striking out in clause (1) of section 606 "\$11,886,000" and inserting in place thereof "\$10,582,000;" and by striking out in clause (2) (b) of section 606 "\$11,976,000" and inserting in place thereof "\$12,446,000;" and by striking out in clause (3) of section 606 "\$28,330,000" and inserting in place thereof "\$27,702,000".

SEC. 503. The Secretary of Defense may establish or develop installations and facilities under this title without regard to sections 3648 and 3734 of the Revised Statutes, as amended, and sections 4774(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 504. Appropriations for facilities projects authorized by section 501 for the respective reserve components of the armed forces may not exceed—

(1) for Department of the Army:
(a) Army Reserve, \$20,748,000;
(b) Army National Guard of the United States, \$8,451,000;

(2) for Department of the Navy: Naval and Marine Corps Reserves, \$8,300,000;

(3) for Department of the Air Force:
(a) Air Force Reserve, \$4,093,000;
(b) Air National Guard of the United States, \$15,536,000.

SEC. 505. Any of the amounts named in section 501 of this Act may, in the discretion of the Secretary of Defense, be increased by 15 per centum, but the total cost for all projects authorized for the Army Reserve, the Army National Guard of the United States, the Naval and Marine Corps Reserves, the Air Force Reserve, and the Air National Guard of the United States, may not exceed the amounts named in clauses (1) (a), (1) (b), (2), (3) (a), and (3) (b) of section 504, respectively.

SEC. 506. This title may be cited as the "Reserve Forces Facilities Act of 1959."

TITLE VI

SEC. 601. The Secretary of the Army is authorized to convey by quitclaim deed to the city of Santa Cruz, California, all the right, title, and interest of the United States in and to four and five-tenths acres of land, more or less, comprising the United States Army Reserve Center Lighthouse Point site and being a part of the lands known as the United States Coast Guard Santa Cruz Light Station, situated on the northerly side of

West Cliff Drive, approximately seven hundred feet south of Pelton Avenue, in the city and county of Santa Cruz, California, and in exchange for said conveyance to accept on behalf of the United States of America from the city of Santa Cruz a deed conveying fee simple title to not less than four acres of land situated within the city of Santa Cruz, California, to be utilized as the site for a United States Army Reserve Center: *Provided*, That the city of Santa Cruz pay to the United States a sum of money representing, in the opinion of the Secretary of the Army, the aggregate of (1) the amount by which the fair market value of the property so conveyed by the Secretary of the Army exceeds the fair market value of the land accepted in exchange therefor; (2) the amount heretofore expended by the Department of the Army in connection with the proposed construction of the United States Army Reserve Center at Lighthouse Point for work and materials which cannot be utilized in connection with the construction of the United States Army Reserve Center on the site to be acquired from the city; and (3) the amount by which the costs for providing adequate foundations, sewer and water facilities, and site preparation for the construction of a United States Army Reserve Center at the site to be acquired from the city exceeds the estimated costs for providing foundations, sewer and water facilities, and site preparation at the Lighthouse Point site.

Sec. 602. The moneys received by the Secretary of the Army under this title shall be covered into the Treasury of the United States as miscellaneous receipts except that any moneys received under section 1(2) and (3) of this title shall be credited to the appropriation to which such costs are charged.

Mr. VINSON (interrupting reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point in the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 2, line 11, strike "Savannah" and insert in lieu thereof "Savanna".

Page 24, line 10, strike "\$225,000" and insert in lieu thereof "\$255,000".

Page 32, line 12, strike "Ofut" and insert in lieu thereof "Ofutt".

Page 40, following line 6, insert a new item as follows:

"Moody Air Force Base, Georgia, 200 units."

Page 69, line 6, strike "section 1" and insert in lieu thereof "section 601".

The committee amendments were agreed to.

Mr. VINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON: On page 20, line 11, strike "250 units" and insert in lieu thereof "450 units".

On page 40, following line 3, insert:

"Loring Air Force Base, Maine, 114 units."

On page 40, following line 9, insert:

"Travis Air Force Base, California, 600 units."

Mr. VINSON. Mr. Chairman, as I stated to the committee when I was presenting the bill, I offer this amendment.

These Capehart houses have all been approved by the President and would have been in the bill had they been passed on by the Budget prior to the

time the Armed Forces Committee reported its bill.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. ARENDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARENDS: On page 39, following line 12, insert a new item as follows:

"Chanute Air Force Base, Illinois, 180 units."

Mr. ARENDS. Mr. Chairman, first I would like to say that Chanute Air Force Base is one of the major Air Force technical training schools.

I offer this amendment because the Air Force has a firm provable requirement for an additional 180 family housing units at Chanute Air Force Base.

Chanute is located adjacent to the town of Rantoul, Ill., which has a population—within the commutable area—of approximately 15,000 people.

The Air Force housing requirement is based on the missions at the end of fiscal year 1962. At that time, there will be approximately 600 officers and 5,400 airmen assigned to the base. Of these, 440 officers and 1,920 airmen—total 2,360—personnel will be authorized family housing. In addition, there will be a requirement for approximately 890 junior grade airmen for whom the Air Force is not authorized to provide housing.

Offsetting this requirement are 1,780 available, adequate housing units, consisting of 78 public quarters, 450 Capehart units—under construction—800 Wherry units, and 452 adequate privately owned units. This leaves a deficit of 580 units. Against this deficit the Air Force proposes to construct the 180 additional units.

Construction of the 180 units will provide onbase housing for only 64 percent of the authorized requirement, and will provide adequate housing, including the private rentals, for only 83 percent of those authorized housing.

I want to draw particular attention to the fact that this project has been approved by the Department of Defense and has been certified by the Federal Housing Administration.

Mr. VINSON. Mr. Chairman, I am thoroughly familiar with the amendment offered by the gentleman from Illinois; I have examined it; I am acquainted with the facts. This item is of high priority. They have need for 2,360 units; they have available 1,780 units. There is a deficit of 580 units.

This amendment provides for only 180.

I think we would be warranted in trying to provide more.

I accept the amendment.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. COHELAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COHELAN: Page 11, between lines 12 and 13, under the heading "Fleet Base Facilities", insert:

"Naval Station, Treasure Island, California: Utilities, \$701,000".

Page 42, lines 19 and 20, strike "\$113,253,000" and insert in lieu thereof "\$113,954,000".

Page 42, line 22, strike "\$182,283,000" and insert in lieu thereof "\$182,984,000".

Mr. COHELAN. Mr. Chairman, the purpose of my amendment is simply stated as being to provide a facility necessary to prevent the discharge in San Francisco Bay of raw, untreated sewage. At the present time naval facilities on Treasure Island and the Yerba Buena Island are discharging raw sewage into the bay.

On October 21, 1954, the California Regional Water Pollution Control Board of Region 2 established a resolution which stated that a condition of pollution and nuisance existed as a result of untreated sewage being discharged into San Francisco Bay from the shore facilities of the U.S. Navy at Treasure Island and Yerba Buena Island.

I would like to point out, Mr. Chairman, that this resolution has the force and effect of law in California. The effect of this disposal into San Francisco Bay today has become increasingly inimical to the welfare of the people of the State of California.

Executive Order No. 10014, dated November 3, 1948, requires cooperation and participation of the Federal Government in local pollution abatement programs. My amendment is in direct consonance with that Executive order and would be a major step forward in correcting a most serious situation in San Francisco Harbor.

It is my understanding that this item, which would cost \$701,000, is very high on the Navy's priority list but fell out of the current program which we are considering today at the last moment.

This type of facility is sometimes considered by the military to be less attractive than some operational facilities. While I can understand the views of the military in this respect, I feel that this does constitute a sufficiently important item to warrant the full approval of this House.

Let me repeat, this is a high-priority item in the Navy's own program, but as it fell out of the program this year, so might it fall out again next year in competition with other apparently more attractive military requirements.

I most sincerely urge favorable consideration of this amendment as a truly necessary and even vital requirement for the San Francisco Bay area.

Mr. VINSON. Mr. Chairman, I have had the privilege of examining this amendment. I know it is very high on the priority list and the objective is well founded. No community in America wants raw sewage flowing into its waterways. There is a large naval installation out there at Treasure Island that is polluting the water of San Francisco Bay.

This is an item that would increase the appropriation or authorization by \$701,000. We reduced this bill \$109 million under the budget estimate. If we accept this amendment then it will bring about a permanent reduction in the authorization to \$108,546,000.

We have already done a magnificent job on this bill, so it will not hurt to

accept this amendment providing for \$701,000 additional.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. GROSS. Mr. Chairman, I do not know whether there is any money in this bill for the Air Force Academy or not.

Mr. VINSON. I can see that the gentleman and I are thinking alike. There is not one dollar in here for the Air Force Academy.

Mr. GROSS. Mr. Chairman, there is an item or two that I think should be called to the attention of the House in connection with what is going on at the Air Force Academy. I find in a report issued by the Comptroller General of the United States in February 1959, which is not too long ago, a statement by a Member of the Senate, to be found in the CONGRESSIONAL RECORD, volume 100, part 2, page 2798, as follows:

I might say that the top limit of the original appropriation requested was \$146 million, and the committee voted to make the top limit \$126 million instead of \$146 million without serious objection on the part of the Air Force.

Turning to the report that was issued in February of this year by the General Accounting Office we find that the total estimated cost of establishing, constructing, and equipping the Air Force Academy, exclusive of aircraft, is shown on page 18.

I read from the summarization:

The recorded Air Force cost as adjusted as of August 31, 1958, \$176,691,505.

Related costs (Capehart housing and Federal grants for school construction), \$20,860,162.

Additional planned requirements (approved and unapproved), \$72,261,970.

That is a total of \$269,813,637 as compared with the statement to be found in the RECORD on March 8, 1954, of an estimated cost of \$126 million.

Now, then, on page 10 of this report from the General Accounting Office I find this:

The cost of construction items amounting to \$3,479,866 was improperly charged to other appropriations. As a result of congressional hearings in June 1958, adjustments were made by the Air Force for \$938,068. We intend to inform the Secretary of the Air Force that additional adjustments of \$2,541,798 should be made.

And the report goes on to list the adjustments that must be made including \$938,068.

Here are a few items:

Removal of slash and debris, \$108,064.

Bowling alleys—social center, \$94,052.

Bowling alleys—base exchange, \$97,160.

Swimming pool dividers, \$171,112.

Valet units—cadet quarters, \$364,798.

Medicine cabinets—cadet quarters, \$102,882.

I do not know what the medicine cabinets are, but I assume they are the kind of cabinets you have in the bathroom in your home or apartment. I do not know what else they could be. But the amount is \$102,882.

Now, I wonder when somebody is going to put the brake on this Air Force

Academy construction program. Something needs to be done, and badly.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. VINSON. I am happy to say that we already have put the brakes on. The figure in the organic law was \$126 million. By two or three amendments we raised the cost to about \$140 million, total construction. And, there is not one dollar in this bill for the Academy. So, we have in that way conformed with the Comptroller's report. I have it here, and I am glad the gentleman is reading it and will continue to read it on some other of these items. It is very illuminating. So, rest assured that there is not one penny in this bill today for the Air Force Academy. The brakes are on now.

Mr. GROSS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. COHELAN].

The amendment was agreed to.

Mr. GUBSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUBSER: On page 55, after line 7 and before line 8, insert the following:

"San Jose, California: Parking lot and drill grounds, \$1."

Mr. VINSON. Mr. Chairman, if the gentleman will yield, I have had the privilege of examining this amendment. It is an exchange of property without cost to the Government; almost to the foot an equal exchange of property. I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. GUBSER].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Mississippi, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes, pursuant to House Resolution 245, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. VINSON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were yeas 379, nays 7, not voting 48, as follows:

[Roll No. 30]
YEAS—379

Abbt	Denton	Jones, Mo.
Abernethy	Derounian	Judd
Adair	Derwinski	Karsten
Addonizio	Devine	Karh
Albert	Dingell	Kasem
Alexander	Dixon	Kastenmeier
Alford	Dollinger	Kearns
Alger	Donohue	Kee
Allen	Dooley	Keith
Anderson	Dorn, N.Y.	Kelly
Mont.	Dorn, S.C.	Keogh
Andrews	Dowdy	Kilburn
Anfuso	Downing	Kilday
Arends	Doyle	Kilgore
Ashley	Dulski	King, Calif.
Ashmore	Durham	King, Utan
Aspinall	Dwyer	Kirwan
Auchincloss	Edmondson	Kitchin
Avery	Elliott	Kluczynski
Ayres	Everett	Knox
Bailey	Evins	Kowalski
Baker	Fallon	Lafore
Baldwin	Farbstein	Landrum
Barden	Fascell	Lane
Barr	Feighan	Langen
Barrett	Fenton	Lankford
Barry	Fino	Latta
Bass, N.H.	Fisher	Lennon
Bass, Tenn.	Flood	Lesinski
Bates	Flynn	Levering
Becker	Flynt	Libonati
Beckworth	Fogarty	Lindsay
Belcher	Foley	Lipscomb
Bennett, Fla.	Forand	Loser
Bennett, Mich.	Ford	McCormack
Bentley	Forrester	McCulloch
Berry	Fountain	McDonough
Betts	Frazier	McDowell
Blatnik	Frelinghuysen	McFall
Blitch	Friedel	McGinley
Boggs	Fulton	McGovern
Boland	Gallagher	McIntire
Bolling	Garmatz	McMillan
Bolton	Gary	McSweeney
Bonner	Gathings	Maddison
Bosch	Gavin	Machrowicz
Bow	George	Mack, Ill.
Boykin	Glenn	Mack, Wash.
Boyle	Granahan	Madden
Brademas	Grant	Magnuson
Bray	Gray	Mahon
Breeding	Green, Oreg.	Mailliard
Brewster	Green, Pa.	Marshall
Brock	Griffin	Martin
Brooks, La.	Griffiths	Matthews
Brooks, Tex.	Gross	May
Broomfield	Gubser	Meador
Brown, Ga.	Hagen	Metcalfe
Brown, Ohio	Haley	Michel
Broyhill	Hall	Miller
Budge	Halleck	Clement W.
Burdick	Halpern	Miller, N.Y.
Burke, Ky.	Hardy	Milliken
Burke, Mass.	Hargis	Mills
Burleson	Harmon	Minshall
Bush	Harris	Monagan
Byrne, Pa.	Harrison	Montoya
Cahill	Healey	Moore
Canfield	Hébert	Moorhead
Cannon	Hemphill	Morgan
Carter	Henderson	Morris, N. Mex.
Casey	Herlong	Morris, Okla.
Cederberg	Hess	Moss
Chamberlain	Hiestand	Mumma
Chelf	Hoeven	Murphy
Chenoweth	Hoffman, Ill.	Murray
Chipperfield	Hoffman, Mich.	Natcher
Church	Hogan	Nelsen
Clark	Holifield	Nix
Coad	Holt	Norrell
Coffin	Holtzman	O'Brien, Ill.
Cohelan	Horan	O'Brien, N.Y.
Collier	Hosmer	O'Hara, Ill.
Colmer	Huddleston	O'Hara, Mich.
Conte	Hull	O'Neill
Cook	Ikard	Oliver
Cooley	Irwin	Osmer
Corbett	Jarman	Ostertag
Cunningham	Jennings	Passman
Curtin	Jensen	Patman
Curtis, Mass.	Johansen	Pelly
Curtis, Mo.	Johnson, Calif.	Perkins
Dague	Johnson, Colo.	Pfost
Daniels	Johnson, Mich.	Philbin
Davis, Ga.	Johnson, Wis.	Pillion
Dawson	Jonas	Pirnie
Delaney	Jones, Ala.	Poage

Poff	Saylor	Thomson, Wyo.
Porter	Schenck	Thornberry
Preston	Scherer	Toll
Price	Schwengel	Tollefson
Prokop	Selden	Trimble
Pucinski	Shelley	Tuck
Quile	Sheppard	Ullman
Rabaut	Shipley	Utt
Rains	Short	Vanik
Randall	Sikes	Van Zandt
Ray	Siler	Vinson
Reece, Tenn.	Simpson, Ill.	Walnwright
Rees, Kans.	Sisk	Wallhauser
Reuss	Slack	Walter
Rhodes, Pa.	Smith, Calif.	Wampler
Riehlman	Smith, Iowa	Watts
Riley	Smith, Kans.	Weaver
Rivers, Alaska	Smith, Miss.	Weis
Rivers, S.C.	Smith, Va.	Westland
Roberts	Spence	Wharton
Robison	Springer	Widnall
Rodino	Staggers	Wier
Rogers, Colo.	Steed	Willis
Rogers, Fla.	Stratton	Withrow
Rogers, Mass.	Taber	Wright
Rogers, Tex.	Taylor	Yates
Rooney	Teague, Calif.	Young
Roosevelt	Thomas	Younger
Rutherford	Thompson, La.	Zablocki
St. George	Thompson, N.J.	Zelenko

NAYS—7

Byrnes, Wis.	Mason	O'Konski
Jackson	Meyer	Sullivan
Laird		

NOT VOTING—48

Anderson,	Holland	Santangelo
Minn.	Morrow	Saund
Baring	Miller,	Scott
Baumhart	George P.	Simpson, Pa.
Bowles	Mitchell	Stubblefield
Brown, Mo.	Moeller	Teague, Tex.
Buckley	Morrison	Teller
Carnahan	Moulder	Thompson, Tex.
Celler	Multer	Udall
Cramer	Norblad	Van Pelt
Daddario	Pilcher	Whitener
Davis, Tenn.	Polk	Whitten
Dent	Powell	Williams
Diggs	Quigley	Wilson
Gialmo	Rhodes, Ariz.	Winstead
Hays	Rostenkowski	Wolf
Hechler	Roush	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Santangelo with Mr. Baumhart.
 Mr. Winstead with Mr. Simpson of Pennsylvania.
 Mr. Whitten with Mr. Van Pelt.
 Mr. Dent with Mr. Wilson.
 Mr. Holland with Mr. Norblad.
 Mr. Bowles with Mr. Morrow.
 Mr. Morrison with Mr. Rhodes of Arizona.
 Mr. Carnahan with Mr. Cramer.
 Mr. Baring with Mr. Andersen of Minnesota.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PROGRAM

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute in order to inquire of the majority leader as to the program for the balance of this week and for next week.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. McCORMACK. Mr. Speaker, there is no further program for the balance of this week. We are all caught up with rules reported out by the Rules Committee.

As the Rules Committee failed to report out a rule today on the housing bill, we will, of course, have to wait until calm judgment reconsiders and brings out a rule. We are all caught up.

I have no legislative program to announce for next week.

Starting Wednesday evening, of course, begin the holy days of our friends of the Jewish faith. That means there would be legislation only on Monday and Tuesday. So if the Rules Committee should meet Monday—I have no knowledge that they will—but if they should I would feel under all the circumstances that I should not program legislation for next week.

So there is no further program for the rest of the week and there is no program for next week except on Monday the calls of bills on the Consent Calendar and on Tuesday the call of bills on the Private Calendar.

Mr. Speaker, it has been suggested to me, and I think it is a very good one, that we call bills on both the Consent and Private Calendars on Monday next. So if the gentleman from Indiana has no objection, I ask unanimous consent that the call of bills on the Private Calendar for Tuesday next may take place on Monday next.

Mr. HALLECK. Mr. Speaker, I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT UNTIL MONDAY
NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AWARD TO COL. THOMAS J. FLYNN

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks, I include therein a recent article from the Gardner (Mass.) News regarding the conferring of the Good Citizenship Award of the Ovila Case Post, VFW, of Gardner, Mass., upon my dear and distinguished friend, Col. Thomas J. Flynn.

I know of no one who is more worthy of this illustrious Good Citizenship

Award than Colonel Flynn. His unselfish service has been distributed over many fields of patriotic and civic endeavor. He served in wartime with great distinction in the armed services and achieved high rank in the Army and Reserve.

Colonel Flynn is a courageous fighting man himself and his two fine sons, both graduates of the U.S. Military Academy, are now carrying out his fine example and are serving with great credit in our Armed Forces.

For years he has been an inspiring leader in civic and community movements in Gardner and his constructive work for the business, industrial, and economic interests of that beautiful city is widely hailed by all his fellow citizens.

His contributions in the field of youth activities have been peerless and it is most appropriate that a plaque for outstanding service to the youth of Gardner, the community as a whole, and to the country as a soldier, a citizen, and a newspaperman should be conferred upon him.

It is a real pleasure and privilege for me to congratulate him and his family, and also to thank and commend the officers and members of Ovila Case Post, VFW, for so appropriately conferring this award upon such a sterling American as Colonel Flynn.

Would that the Nation had more leaders and devoted citizens like Colonel Flynn.

[From the Gardner (Mass.) News, Mar. 18, 1959]

GOOD CITIZENSHIP AWARD PRESENTED AT VFW DINNER—MORE THAN 225 ATTEND TESTIMONIAL FOR COL. T. F. FLYNN—LAUDED FOR COMMUNITY EFFORTS

Col. Thomas F. Flynn, dean of Gardner's newspaper reporters, was presented the third annual "Good Citizenship" award last night by the Veterans of Foreign Wars at a testimonial dinner in the VFW quarters on West Street.

An overflow delegation of friends and associates, more than 225 at final count, enjoyed a corned beef and cabbage dinner and speaking program arranged to honor the veteran reporter and sports editor of The Gardner News for his contribution to the civic betterment of the community through the years.

The guest speaker, former Chief of Police Cyrille LeBlanc, echoed the sentiments of his legion of friends when he stated that the guest of honor was dedicated to every worthy cause which arises in the community.

The presentation of the award, a handsome inscribed plaque, climaxed the speaking segment of the program and was made by VFW post commander Donald J. Casavant.

Ex-Chief LeBlanc, now personnel manager at Harrington Richardson Arms Co., in Worcester, drew on his long personal association and experiences with Colonel Flynn to commend the guest of honor for his service to worthy projects, his assistance to needy students in obtaining scholarship aid, and his participation in both global conflicts as a soldier in World Wars I and II.

Colonel Flynn and former Chief LeBlanc were coauthors of "Gardner in World War II", a history of Gardner's participation in the Second World War complete with pictures and biography of the men and women who served in the armed services.

Colonel Flynn, who has nearly 40 years with The Gardner News as city hall and police beat reporter, responded briefly, thanking the host organization and the committee for their efforts on his behalf.

State VFW Commander Joseph Scerra was the presiding officer. Among the head table guests who spoke briefly were Alfred J. Abbott, editor of The Gardner News; Chief of Police Joseph Renes; Council President Thomas J. Carroll and State Representative Martin H. Walsh, who injected a bit of Irish humor into this St. Patrick's Day party by reading a humorous "letter" from an aunt in Ireland.

Also seated at the head table were past VFW award recipients Hugh Hunter and Philip J. Tarpey, Commander Casavant, National VFW Chaplain Donald Patterson, and the guest of honor's brother, John Flynn of Reading. Called upon to acknowledge introductions were Fire Chief James F. Casavant, Judge M. Alan Moore, Postmaster Oscar R. Anderholm, VFW Quartermaster Adjutant John Powers, former Wildcat athlete Philip J. Tarpey, Jr., and Col. Walter Beaman.

Presenting a highly appropriate background for the head table was a portrait painting of Colonel Flynn in Kelly green, an artistic production by Col. William V. Ellis.

Much of the success of the party was due to the excellent work of the committee in charge headed by School Committeeman Eugene T. McCarthy.

Cauquette of Ashburnham catered.

IMPORTS CAN SOMETIMES BE DANGEROUS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks, I include therein a very thoughtful and well considered editorial entitled "Foreign Turbines and U.S. Security" which recently appeared in the celebrated Worcester (Mass.) Evening Gazette.

I was very much impressed with this editorial because it is sound, fair, and shows a keen awareness of the serious problems presented to American industries and workers as a result of poorly restricted foreign competition.

It should be obvious to any thinking citizen that considerations of national security and defense must always be paramount.

It should also be obvious, I think, that this Nation with its high wage scales and standards cannot hope, notwithstanding high productivity, to match or successfully compete with the extremely low wage scales and low standards that prevail in some other parts of the world.

Like everything else, this question calls for the application of the rule of reason. Naturally, we wish to promote sound commercial and business relations with other nations of the free world. At the same time, we must recognize that such relations must be predicated on respective national interests and mutual benefits, and cannot be based upon benefits to one side and detriments to the other in bi-lateral or multi-lateral trade.

The American textile industry is a good case in point. This industry has suffered, and is suffering, disastrous results from foreign competition. If the 'peril point' and 'escape clause' provisions of the Reciprocal Trade Treaties were fairly applied, if they were applied at all, it would be possible to avert some of these most unfortunate consequences to our industries and workers.

It does not make sense at all to refuse to utilize or apply existing provisions of law to prevent cutthroat competition and move instead to new proposals like the establishment of quotas or exchange restrictions to accomplish the same result.

I am not opposed to the use of quotas if they can be fairly and constructively applied; in fact, I would favor this additional method. On the other hand, I think it would be well for the executive end of the Government to make full use of existing provisions of law such as the 'peril point' and 'escape clause' provisions of the trade treaties and approve well-considered recommendations of the Tariff Commission promulgated after extensive testimony and long study.

The danger is that the effects of this cutthroat competition, unless it is checked by the action of our own Government, will spread to many other industries and cause additional serious unemployment at a time when our national unemployment rate is already high and seems to be continuing in many industries throughout the Nation, notwithstanding the general prosperity that exists in the country at large.

The Gazette is to be complimented upon the spirit of sanity and soundness which is evident in this constructive editorial and the marked ability with which its views were presented.

[From the Worcester (Mass.) Gazette, Apr. 7, 1957]

FOREIGN TURBINES AND U.S. SECURITY

The Los Angeles Board of Water and Power Commissioners recently asked for bids on two huge turbine generators for a new steam powerplant near Long Beach.

A Swiss firm bid \$9,260,000. The lowest American bid was around \$15 million. What is more, the American bid contained an escalation clause providing that the bidding price on the first turbine generator could be increased by 30 percent before delivery and the second by 40 percent. This was a hedge against inflation in the costs of materials and labor. The Swiss bid had no such escalation clause.

The Los Angeles board took the Swiss bid. The same problem applies to hydroelectric turbines. There are five American companies in the field, and they are all consistently underbid by European and Japanese concerns. In several recent cases involving Government orders for turbines, the Office of Civil and Defense Mobilization, acting in the name of national security under section 8 of the Trade Agreements Extension Act of 1958, has instructed the Army engineers to buy American, despite the higher costs.

Such decisions always provoke a storm of argument. The foreign firms who are thus shut out complain that the United States talks free trade but practices protectionism. On the other hand, if a foreign bid is accepted, as in the Los Angeles case, the critics from the other side of the fence say that the national security is threatened. In case of war, they claim, spare parts and main-

tenance problems could lead to power shut-downs.

Another national security argument—and perhaps a more valid one—holds that the Nation cannot allow its five producers of heavy turbine equipment to close up shop, which, they insist, is inevitable if they are forced to meet Japanese, Swiss, British and West German competition head-on.

It is a mistake to think that there is any easy answer to the problem. Naturally, it is to the interest of the free world, and of the United States, to promote free trade wherever possible. But many believers in free trade concede that heavy capital goods, such as steam and hydroelectric turbine plants, fall into a special category.

In many lines we can compete in the world market. Mass production techniques and labor-saving devices increase per capita output and make it possible for American firms to meet the challenge of the low-wage nations.

But things like turbines cannot be made on a production line. Each one has to be tailored separately, just like a battleship. The opportunity for automation and labor saving devices are very limited. With average hourly earnings in this country averaging more than twice those in Europe, it is obvious that our industries are fatally handicapped whenever they have to use the same number of man-hours as foreign firms do.

This country cannot, of course, embargo foreign manufactures indiscriminately, nor can it cut U.S. wages back to the Japanese level. Foreign imports, besides bringing many important products to our shores and providing our own industries with bracing competition, also are vital to the economies of our friends and allies abroad.

But when there are genuine considerations of national security and defense—as opposed to purely political pressures and specious arguments—the OCDM has the power and the duty to step in.

DANIEL DECATUR EMMETT

Mr. LEVERING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LEVERING. Mr. Speaker, in connection with the introduction of my recent bill to honor Daniel Decatur Emmett, the composer of "Dixie," on the 100th anniversary of that composition, I have been heartened at the many expressions of support for my idea to authorize and direct the Postmaster General to issue a special commemorative stamp. Many, many of my colleagues have told me personally that they will support me in this request, and I am hopeful many more will do likewise.

I was interested, as I am sure my colleagues will be, to learn from the newspapers that Walter W. Williams, of Houston, Tex., the last living Civil War soldier, has requested to hear "Dixie" played once more before his death. Mr. Williams is 116 years old and is bed-ridden.

The Mount Vernon, Ohio, Sons of Veterans Fife and Drum Corps, in which I am proud to be a drummer, soon will make a record of "Dixie," and it will be flown to Houston so that Mr. Williams, who is believed to be on his deathbed, can have his wish fulfilled. Col. W. W.

Dorsey, of Mount Vernon, near which I live, is corps director, and I am happy that he acquiesced at once when the request for the "Dixie" record was made by the Williams family in behalf of the aged Civil War veteran.

Colonel Dorsey will be in Washington Saturday, April 18, 1959, in my office at 324 House Office Building. He is going to present me a copy of a colored photograph of the Sons of Veterans Fife and Drum Corps.

I believe that my colleagues join with me in welcoming Colonel Dorsey to Washington. It is my hope that they also will join with me in supporting my legislation to have the stamp printed in honor of Daniel Decatur Emmett and "Dixie." This request of the last Civil War veteran gives us some indication of what a terrific indentation this song has had on America in the 100 years of its existence.

THE CHRISTIAN AMENDMENT HOUR

Mr. MCINTIRE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. MCINTIRE. Mr. Speaker, in conjunction with the Christian amendment resolution today introduced by me to the House of Representatives, I submit for insertion in the CONGRESSIONAL RECORD radio message No. 13, as delivered by the Reverend R. J. G. McKnight, D.D., Ph. D., in behalf of the Christian amendment movement:

"THE TYRANNY OF HUMAN GOVERNMENT APART FROM GOD"

(Radio message by Rev. R. J. G. McKnight, D.D., Ph. D.)

The discussions in this series of broadcasts have been designed to show that, in a nation that is predominantly Christian, the preamble to the Constitution should contain an acknowledgment of the sovereignty of God in all departments of life.

The doctrine of divine sovereignty is the basic concept in the Christian religion.

When a preamble begins: "We the people . . . do ordain and establish," it means nothing more than that it is the will of the people to do the things set forth as the objectives.

But the will of the people may change. For example, it was the will of the people at one time to abolish the liquor traffic. And that was done. A few years later it was the will of the same people to legalize the manufacture and sale of intoxicants. And that was done. It seems to be plain that the will of the people is a very insecure foundation upon which to establish the supreme law of the land. It was the will of the people that Christ should be crucified—"and so Pilate, willing to content the people, . . . delivered Jesus . . . to be crucified."

Surely there must be a standard of morals and an acknowledgment of an overarching authority, to which the will of the people must conform, if there is to be just and lasting government. In our preamble and in our Constitution there is no recognition of God or of the Bible, which contains the divine laws for men and nations.

In the brief time we have let us attempt to discover the danger that lies in such a government.

In the 13th chapter of the Revelation, we are given the picture of human government apart from God. It is a picture of a beast, rising out of the sea. The beast had seven heads; the beast had 10 horns; and on his horns 10 crowns, and on his heads the name of blasphemy. The beast was like a leopard, with feet as the feet of a bear. "His mouth was the mouth of a lion; and the dragon (Satan) gave him his power, and his seat, and great authority. And I saw one of his heads as it were wounded to death; and his deadly wound (death stroke) was healed; and all the world wondered after the beast. And they worshipped the dragon which gave power unto the beast; and they worshipped the beast, saying . . . Who is like unto the beast? who is able to make war with him? . . . And he opened his mouth in blasphemy against God, . . . His name, and His tabernacle. . . . And it was given unto him to make war with the saints, and to overcome them; and power was given him over all kindreds, and tongues, and nations."

That is human government apart from God. That is what it ultimately does.

In the picture the beast is sovereign: he has the emblems of authority. He also has the subtlety of the leopard; the ferocity of the bear; the fearlessness of a lion; and over all his heads the black flag of blasphemy.

It is a portrait of human government apart from God.

It is a picture of man in his self-sufficiency bowing God out of His universe.

John knew the history of the Old Testament. He knew the history of Assyria; the history of Babylon; the history of Medo-Persia; the history of Rome—how well he knew Rome that had banished him to Patmos. In every instance the results of government apart from God were the same: tyranny, intolerance, persecution, and over the whole stretch of human history he could write: *semper eadem*—always the same.

"But," you say, "that is history—and ancient history at that. That can't go on. Man makes progress in science; in the arts; in government. Man learns how to govern." You remind me that this is 1957 A.D.

But, my friends, it has gone on. It is going on today. Sometimes there is a lull: one of his heads is smitten with a death stroke. But the death wound was healed—and all the world wondered and admired the beast.

The meaning is plain—(1) Assyria suffered a death stroke. Yes, but it was healed immediately. And immediately (2) Babylon came up—the same spirit, same animus, the same mentality—there was no break in the continuity of the beast's dominion. Babylon goes down; (3) the next morning the Medo-Persian is on the throne. The Medo-Persian goes down; (4) Rome comes up. And still the dragon is in charge. Human sovereignty apart from God is something this sinful world adores and will not give it up.

Go back to that fateful day in the court of Pilate and read the record. (John 19: 14-15) And Pilate said unto them, "Shall I crucify your King?" And they answered, "We have no king but Caesar." There is the choice stated plainly. Humanity was offered Christ—King of kings and Lord of lords—and it chose Caesar. And ever since that day God has given unregenerate humanity Caesars. And how has humanity fared under Caesars?

In Eastern Europe today there is Russia, "the bear that walks like a man." Russia for centuries had its Caesar, its "Tzar" or "Czar"—(although "Tzar" or "Czar" was originally a title of Asiatic sovereigns.) But from "Ivan the Terrible"—1533 A.D.—whom the Polish poet has described as "the most finished tyrant known in history" down to the revolt against Czarism of this type, for five hundred years Russia was under the rule of the most frivolous, debauched and merci-

less rulers of history. Nicholas II was the last Czar.

Then came the revolution in Russia, and Stalin, with his selected corps of murderers, took over and settled in the Kremlin. A new regime. Any improvement? The world has witnessed in our day the ultimate in tyranny, persecution, intolerance and godlessness. (Rev. 13:6) And the beast "opened his mouth in blasphemy against God, to blaspheme His name, and His tabernacle, and them that dwell in heaven."

That is what happens when humanity cries out against the Lord of glory, the King of kings, and says, in so many words: "We have no king but Caesar." Caesars, Czars, Kaisers—how the world adores totalitarian rulers.

And we see it again in Eastern Europe. The Hohenzollerns built an empire. The Kaiser (there is that name again) built the best political and military machine the world had ever seen. It was ready to operate in 1914. "Der Tag" came in August of that year. But the Reformation had brought Germany to a high position among the nations of Europe. The people believed in God. So the Kaiser had to walk softly. He gave God some recognition. But, as the events proved, the Kaiser ruled with an iron hand. His will was law. His philosophy was: "Ich und Gott."

In 1918 the Kaiser's regime came to an end. There came, as the Apostle John puts it, "a death stroke."

Then came Hitler with his crooked cross. Any improvement? Do we need to describe what the paperhanger dreamed and the depths to which "Der Fuehrer" led humanity?

My friends, a nation, our Nation, any nation without God is doomed. All history testifies to that. Humanity—without a revelation from God, without a friendly relationship to God—is a lost humanity. The problem of government is too great for human minds. Attempts to build a stable world order fail. They come short—and, coming short, they doom billions of men to war, famine, pestilence, and death. And the only alternative is to put our country in right relationship to Christ—the King of kings and Lord of lords. We need the counsel and the aid of the only wise God.

(Revelation 13:18) "Here is wisdom. Let him that hath understanding count the number of the beast: for it is the number of man, and his number is six hundred threescore and six." 666—never 7, which is perfection. Human sovereignty always comes short.

MEANS TO COUNTER A NEW CONCEPT OF WARFARE

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 30 minutes.

Mr. SIKES. Mr. Speaker, I would like to associate myself with the ideas expressed in your address on the opening day of this session. I am sure every Member of this House agrees with you that we are living in the most dangerous period that civilization has gone through since Jesus walked the shores of Galilee 20 centuries ago. Dangerous and desperate situations require the utmost in human intelligence and effort to solve and allay.

I address myself today to one of these. The subject of psychological, political, and economic—that is, cold—warfare has become a major security issue. It needs to be dealt with more effectively than is now the case, including forthright congressional action. This new

concept of war which we call "cold war" is generally dated by most people back to 1947 or 1948. This is a mistake. Actually Soviet political warfare against this country and the rest of the non-Communist world traces back to March 1919 when the Bolsheviks declared total and unrelenting war on us at the First Congress of the Communist International in Moscow.

At that time Lenin and his associates assured the bourgeois-capitalist world that its days were numbered, and that—

The victory of proletarian revolution throughout the world is guaranteed. The formation of the International Soviet Republic is approaching [stormy applause].

Soviet conquest of the whole world thus became the pattern long before 1947.

Every subsequent Congress of the Communist International, every writing and speech by any Communist official anywhere, and every Soviet action since that historic declaration of war on the West, has reaffirmed and reiterated this Communist dedication to the total destruction of Western civilization.

This was brought out strikingly during the closing year of World War II. As you all will recall, Russia engaged in a number of puzzlingly unfriendly acts toward this country and our allies, long before the Nazis surrendered. There was the surly refusal to allow our heavily damaged planes after the Ploesti air raid to land on Soviet soil: the refusal to permit American fliers to take lend-lease planes into Russia: the instigation of a Communist mutiny in the Greek Navy at Alexandria, and the insistence that we abandon a loyal and hard-fighting ally, General Mihailovitch and the Chetniks in favor of Tito and his Communist partisans. The list could be extended.

We know that President Roosevelt, shortly before his death, was gravely worried over mounting evidence of Soviet bad faith, and that he had to dispatch a strongly worded protest to Stalin a day or so before he died. All of this occurred while Russia was still eagerly accepting the last of \$11 billion worth of lend-lease munitions, supplies and food and anticipating more.

In reverse lend-lease the Soviets ordered their Communist Parties all over the world to resume their revolutionary and subversive activities against the governments of their allies, including ours. They repaid \$11 billion of lend-lease with massive espionage, subversion, mutinies, and every conceivable form of political war, while we were both still fighting the Nazis. Had we understood this new type of warfare then, and perceived correctly just what Stalin was up to, we might not today be in our present predicament. We thought in terms of "peace" and "war" based solely on armed conflict. Our national leadership, in the main, failed to understand that warfare had passed into an entirely new and novel plane of action. Had we understood in 1946 just what cold war implied, we would not as readily have permitted China to fall into the Soviet power bloc. And had China not fallen into Red hands we would have been

spared the loss of 53,000 American boys in Korea.

The Soviet cold war against this country has contributed to a cost to us of a total of about \$70 billion in foreign aid; and combined with the Soviet military threat has caused us to spend some \$200 billion in defense since the end of the Korean conflict in 1953. The total cost of the cold war since 1944 will probably exceed \$350 billion—all out of American production and labor by way of taxes and resources. Now we have many well-informed people who assure us that the cold war will go on for many years, if not for several decades. The Soviets and Red China have convinced most of our people that they mean business, and that they have the will and ruthlessness to carry on indefinitely, whether we like it or not. That alone is a substantial victory in psychological warfare. It helps to precondition our negotiators into an attitude of defeatism and conciliation at the conference tables.

All of the staggering taxes, all of the burdens of compulsory military service and of military service overseas, all of the dislocation of our normal way of life would be cheerfully accepted, if we had certain evidence that we are winning the cold war. We could even take considerable satisfaction in the knowledge we had stopped Soviet advances and reached a stalemate where neither side could conceivably be sure of ultimate victory, if that were true.

The plain and unpalatable fact, of course, is that we have lost valuable ground. While we stare into space with fascination at sputniks and luniks—the Soviets continue to advance in the Middle East, Africa, and Latin America. In our concern over luniks, space platforms, the race to the moon, ICBM's and all the other latest death-dealing gadgets, we frequently lose sight of successful Soviet political warfare. Perhaps we should give this type of warfare a new name—fourth dimensional warfare—to include all forms of nonmilitary hostility carried on by psychological, economic, political, subversive, propaganda, diplomatic, and other means.

That an enemy nation can be softened, weakened internally, divided, and finally demoralized to a point where military resistance becomes useless, is now generally recognized. That such a trend must be resisted and met with positive countermeasures should be realized with equal certainty.

I contend that the problem of fourth dimensional warfare may be even more important to the survival of this Nation than the proper exploitation and control of atomic energy. President Eisenhower, speaking at Founders' Day ceremonies at Gettysburg College, close to his farm, warned Americans that they needed more understanding of the international facts of today's life.

The deliberations of the National Security Council and the Operations Coordinating Board are, of course, classified. Neither the American people nor Congress are kept advised of even the minor findings, opinions or contemplated guides of action. All of us can understand the necessity of secrecy in planning

and operations of such importance. But, the very future and security of this Nation requires a coordinated, comprehensive effort of wide scope and general understanding; a program whose efforts are readily translatable to the public consciousness.

In 1955 General Sarnoff presented the administration with a blueprint for cold war strategy which would take the offensive out of the hands of the Communists and put them on the defensive. It was accepted by public acknowledgment, and given considerable publicity. That is the last we heard of the Sarnoff plan. It was presumably "studied" by some bureaucrat or bureaucrats, duly filed, and quickly forgotten. I use this as an example of official failure to stimulate public interest in this subject.

The Hungarian uprising of October 1956 caught both us and the Russians by surprise. After a few days of uncertainty and apparent beginning of withdrawal of Soviet forces from that heroic country, the U.S.S.R. struck with ruthless and brutal severity. Possibly the men in the Kremlin spotted the fumble on our side and realized we had no plan of action and were prepared to do exactly nothing, except file the usual routine and stilted diplomatic notes. In any event, the revolution cost the lives of 18,000 Hungarian freedom fighters, many of them mere children, and in the eyes of many people throughout the world, it exposed our cold war impotence and lack of prepared plans to take instant advantage of any cracks in the walls of the Kremlin prison house of nations.

Pure Marxism, the secret cause of Communist strength and inflexibility, states that the triumph of world communism is historically inevitable, and all of our best and strongest efforts will in the long run prove unavailing. If we accept this premise—and possibly there are powerful interests in America which secretly do so—then we are left with the alternatives of, first, fighting a rear-guard action staving off the inevitable as long as possible and then capitulating; or second, buying time by appeasement and mollification; hoping that somehow world communism will collapse from within and the nightmare vanish of itself by some lucky miracle—the nature of which we cannot yet foresee or safely predict. This latter also skirts the position of containment subscribed to, I am sorry to say, by many of small faith and little intestinal fortitude.

I do not believe that the Soviets are 10 feet tall or that communism is invincible. I prefer to believe that our difficulties in the cold war stem not from Soviet superiority, but from ineptitude on our side or lack of positive effort. We have failed to use the right tactics, right weapons, right strategy or right leadership—or a combination of these.

I say that now is the time for Congress itself to inject new leadership into this problem and to examine every possible facet of the problem of why we are not winning the cold war. This does not mean any "agonizing reappraisal," but a cold-blooded, realistic, bipartisan study of fourth dimensional warfare as practiced by the Communists, as well

as a relentless and thorough probing of all of our past policies, conceptions, and overall strategy. Now I know someone will rise to ask: "Why cannot all this be done by our Foreign Relations Committees or some other standing committee?"

The reply is obvious—new and critical problems require new and critical treatment. Present standing committees on both sides are already overburdened with work. But more important is the fact that cold war, or fourth dimensional warfare, is not entirely a matter of foreign policy, but cuts across several jurisdictions and, as I see it, transcends in importance the respective jurisdictions of existing committees.

With the opening of the atomic age in 1945, Congress realized that a revolutionary new era in science was opening. The Joint Committee on Atomic Energy was created to deal with an entirely new problem. Atomic energy could just as well have been assigned to some already established committee of the House and Senate. Congress wisely decided otherwise. The newly established Space Committee is further endorsement of this policy.

Such a joint committee, rather than infringing on established committee jurisdictions, would act as a coordinating clearinghouse between them on all matters relating to fourth dimensional warfare. As I envision its work, a great deal of the staff's time would be devoted to gathering and coordinating every available scrap of intelligence bearing on the cold war, and presenting it in readily accessible reports to Congress for its guidance and information. The world's acknowledged experts in various forms of political warfare would be heard in open or executive sessions as the national security and interest might determine. Such a joint committee holding hearings on cold war strategy would also dramatize in the public mind that this Congress is fully cognizant of the whole complex problem of cold war and is prepared to do something constructive about it.

TWENTIETH CENTURY TREK: OREGON TRAIL REVISITED

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. PORTER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PORTER. Mr. Speaker, on April 19, the Oregon centennial wagon train embarks on a 2,000-mile trek from Independence, Mo. It is scheduled to reach Independence, Oreg., August 15.

This On to Oregon Cavalcade is part of Oregon's centennial festivities.

Former President Harry Truman recently told Senator RICHARD NEUBERGER and me that he would help start the wagon train on its journey. He will act as honorary trailmaster.

Six Conestoga wagons, made of sturdy oak, and constructed by Roy Brabham,

of Eugene, Oreg., will comprise the wagon train. Gordon "Tex" Serpa, of Ashland, Oreg., is wagonmaster for this 130-day reenactment of the first blazing of the Oregon Trail. Conditions of the initial Oregon Trail journey will be followed as nearly as is possible, although the Indians will be friendly and scalping will be kept to a minimum. Twenty-five persons are scheduled to make the trip, I am told.

HONORING OREGON IS THE GOAL

This part of the Oregon centennial celebration is made possible through the efforts and work of many people. Some will work without any credit while others draw praise, but the goal of honoring Oregon is shared enthusiastically by all.

This covered wagon train caravan was initially brought to my attention the fall of 1957 by Mr. Alan Knudtson, of Roseburg, speaking for himself and others. A man of many ideas he and other friends had several years earlier helped stage a race between the Iron Horse and the real horse to point up a slowness in train service through a part of the Fourth Congressional District. The horse very nearly won.

In a letter dated April 12, 1958, Alan told me the centennial commission had given its support to his proposal for a wagon train retracing of the Oregon Trail.

The caravan boosters felt from the beginning that Harry Truman would be the ideal person to help "kick off" the train. He was an authority in the field of history. His home was in Independence, Mo., the starting point of the proposed journey. But first plans for the cross-country trip had to be more firm.

Each month the plans enlarged. The Roseburg Junior Chamber of Commerce worked hard on the program. It received the support of the State junior chamber. More than 70 junior chambers in Oregon were contacted. City and county governments were asked to sponsor wagons. The cost was estimated at \$1,650 per wagon.

INTEREST HIGH—MONEY SCARCE

The nonprofit On to Oregon Cavalcade, Inc., working directly with the junior chambers, found many interested cities. They learned that it was not easy to find the financial support. The 1958 start would have to be postponed a year.

The South Lane Stamp Society of Cottage Grove secured a special postal permit for the trek. A special "Oregon Trail Trek" cover was printed. Mr. Ivan C. Hoyer, president of the Stamp Society, directed this phase of the operation.

By August 21, 1958, cavalcade plans were more firm. The group could think seriously of asking President Truman to officiate.

In Eugene, Roy Brabham was busy building three wagons as Christmas 1958 approached. In Independence, Mo., junior chamber of commerce members had been asked to think about plans for a kick-off celebration.

In a December 17, 1958, letter to my office, Knudtson wrote:

I think the title for Mr. Truman, in the capacity of supreme dignitary of this event, should be "Oregon Centennial Honorary Trail Master."

He said letters had been written by then Gov. Robert Holmes to the Governors of the States through which the Oregon Trail passed and that each of them had sent best wishes and pledged cooperation and support. Bob Holmes' important role had started shortly after January 20, 1958, when I relayed Knudtson's request to him.

"DEAR MR. PRESIDENT—"

Slightly more than 1 year later, on February 20, 1959, Senator RICHARD L. NEUBERGER and I wrote a joint letter to Harry S. Truman at the request of the On to Oregon Cavalcade, Inc.:

FEBRUARY 20, 1959.

HON. HARRY S. TRUMAN,
Truman Memorial Library,
Independence, Mo.

DEAR MR. PRESIDENT: It is our privilege to request that you be Honorary Trail Master for the Oregon Centennial Wagon Train which will leave Independence, Mo., the morning of Sunday, April 19, 1959.

A special celebration is planned in Independence the afternoon of Saturday, April 18. Oregonians who comprise the On to Oregon Cavalcade, Inc., hope your schedule will permit you to take part in the Saturday program; Sunday too, of course, if possible.

The dedication remarks would be of your own choosing. The six-member wagon train will follow as closely as possible the original Oregon Trail. Festive welcoming ceremonies are being arranged to greet the cavalcade at the end of the trail. The Wagon Train is a unique event planned during the 100th Oregon birthday celebration. We hope you will be able to help us observe the initiation of this 20th century trek.

We are told by those in charge of arrangements that State officials of Missouri, Kansas and Oregon are to be asked to participate in the sendoff. Congressional delegation members will also be invited to attend. Independence Junior Chamber of Commerce members are handling the activities in your city. Mr. Roger Bessmer is chairman. His home telephone number is Clifton 2-9148. His address is 3304 Morton Street.

On behalf of our State and the other members of the Oregon delegation we invite you to take part in our Centennial celebration. Your presence would bring great honor.

Sincerely,

RICHARD L. NEUBERGER,
U.S. Senator,
CHARLES O. POTTER,
Member of Congress.

Mr. Truman replied immediately. His response was a tentative "yes." He added:

I doubt very much whether I'd be a good trail master, for I was informed by my grandfather that a trail master must be able to pop a 20-foot bullwhip and kill a fly without hurting the animal. I have never had any practice along that line, and I don't know whether I could do it; but if there is anything I can do to help make your start here in Independence agreeable and acceptable I'll be glad to do it.

The gist of his answer was sent to Mr. Richard Carter, of William Dawkins and Associates of Medford, Oreg., a public relations firm which had been hired to help coordinate and promote the wagon

train. It was also sent to the hard-working Roseburg group.

On March 4, 1959, a second letter went out to Independence, Mo. The joint note from Senator NEUBERGER and myself provided Mr. Truman with some new details.

MARCH 4, 1959.

HON. HARRY S. TRUMAN,
Truman Memorial Library,
Independence, Mo.

DEAR MR. PRESIDENT: Oregonians everywhere join us in hoping that things will work out so that you can help start the Oregon Centennial Wagon Train when it leaves Independence.

Upon request, we advised the Oregon Centennial Commission of your desire to do all you can to help make the Wagon Train start in Independence pleasant and agreeable.

The Commission has been in contact with us almost daily. Today the Commission will announce that you have been invited to be Honorary Trail Master and that you hope things will work out so that you can be present when the cross-country trek starts.

Your immediate consideration of the invitation is certainly appreciated.

We see no reason to believe that you could not put the Trail Master's bullwhip to expert use. In 1948, for example, you were able to rid the United States of a number of pesky flies "without hurting the animal."

Sincerely,

RICHARD L. NEUBERGER,
U.S. Senator.

CHARLES O. PORTER,
Member of Congress.

THE CONFIRMATION

On March 9, 1959, former President Truman confirmed his tentative acceptance.

He wrote:

I have made arrangements with the Oregon Centennial Commission to be here (in Independence, Mo.) on April 18 * * * and I sincerely hope that I won't lose a point with that famous bull whip.

With Mr. Truman will be at least three Governors in the reviewing stand, I am told. They are George Dockins, of Kansas, Ralph Brooks, of Nebraska; and J. J. Hickey, of Wyoming. It is hoped that Oregon's Gov. Mark Hatfield will be present.

I have detailed the story behind the On to Oregon Calvacade because I believe it is in keeping with the vigor, creativity and remarkable perspicacity evidenced by the men and women who settled and built the West.

Under leave to extend my remarks in the RECORD, I want to include an April 8, 1959 story from the Ashland (Oreg.) Tidings, which describes the route to be followed by the train; a March 9, 1959, news release from the Oregon Centennial exposition and International Trade Fair office; and a fine editorial by Forest Amsden, executive editor of the Coos Bay (Oreg.) World, entitled "Matching Oregon's Mountains."

Mr. Amsden discusses the men who came West to settle and build. As we await the Independence festivities this coming weekend, I think it is appropriate his observations be included:

[From the Ashland (Oreg.) Tidings, Apr. 8, 1959]

WAGONS LED BY ASHLANDER READY TO START TREK

PORTLAND.—The crack of a bull whip, a cowboy yell and six lumbering Conestoga

wagons will rumble onto the Oregon Trail and head for the Northwest.

This action April 19 will follow a brief ceremony at Independence, Mo., in which former President Truman will receive a lesson in bull whipping from a modern day wagon master, Gordon "Tex" Serpa, 39, Ashland, Oreg.

Amid cheers and good wishes 25 persons will man the wagons and start a 2,000-mile, 130-day reenactment of the Oregon Trail blazing.

The wagons will make up the "On to Oregon Calvacade" in honor of the 100th birthday of Oregon.

Serpa will take charge with the same military-like authority that the pioneers found necessary.

"We expect many hardships on the trail," Serpa said. The travelers will work in pioneer fashion and eat and sleep in the wagons until they reach their destination, Independence, Oreg.

What dangers will the wagon train encounter? Indians? Coyotes? No. Traffic.

IN RUGGED TERRITORY

The Oregon Trail is now mostly scenic highway where scores of automobiles will whizz by the wagons.

There is some prairie country and old country roads that the wagons will have to negotiate. One stretch, between Independence Rock, Wyo., and Border, Wyo., a trip of some 18 days at their 20-mile per day pace, may show the modern wagon crews some hardships more familiar to the first pioneers.

The area, in part, is a dry, dusty, rocky and barely populated stretch of no man's land.

Water will be carried in canteens with little possibility of a quick refill. At night, as the wagons form a protective circle, the riders will go to the one modern spot of the caravan: A 40-foot semitruck that will follow with food. No chuck wagon. The victuals, however, will be prepared by the group.

To round out the repeat of western lore, a band of real Sioux Indians will "attack" the wagon train near Baynard, Nebr. After the scuffle, a peace pipe ceremony and a buffalo barbecue is scheduled for both whites and Indians.

The wagons, made of sturdy oak, and in the same fashion as they were 100 years ago, were constructed by one of the Northwest's few remaining wagoners, Roy Barham, 60, Eugene, Oreg. The Oregon Centennial Commission, which allocated \$25,000 for the trip, paid \$1,650 each for the six wagons.

The trail covers the northwest corner of Missouri, the northeast corner of Kansas, straight through Wyoming and Idaho to Boise, and into Oregon.

When the train reaches The Dalles, Oreg., the wagons will forego the convenience of available modern highways and load onto barges for a trip on the Columbia River as far as possible. This is the way early settlers did it, according to existing records.

The caravan is due at Independence, August 15.

[From Oregon Centennial Exposition]

WAGONS WESTWARD

When an Oregon centennial wagon train rolls out of Independence, Mo., on April 19, on a 2,000-mile journey to the Beaver State, former President Harry S. Truman expects to be on hand to see that the caravan of prairie schooners gets a proper sendoff.

Senator RICHARD L. NEUBERGER, and Congressman CHARLES O. PORTER, of Oregon, made public in Washington Wednesday a letter from Mr. Truman in which he stated that, although he lacks experience as a bullwhip cracker, he will do all he can to help start the wagon train on its journey.

On behalf of Oregon centennial officials, Senator NEUBERGER and Congressman PORTER had requested Mr. Truman to act as honorary trail master for the wagon train.

VERY MUCH INTERESTED

"I am very much interested in that program," Mr. Truman replied, "I sincerely hope it will be possible for me to be present and help with the celebration."

"I doubt very much if I would be a good trail master," he continued. "I was informed by my grandfather that a trail master must be able to pop a 20-foot bullwhip and kill a fly without hurting the animal. I have never had any practice along that line, and I don't know whether I could do it."

"But if there is anything I can do to help make your start here in Independence agreeable and acceptable, I'll be glad to do it."

The 1959 crossing of the Oregon Trail by 30 men, women, and children is expected to focus national attention on centennial celebrations which are in progress throughout Oregon.

The year-long observance will be highlighted by the 100-day Oregon Centennial Exposition and International Trade Fair which opens in Portland on June 10.

TWENTY MILES A DAY

The wagon train, traveling 20 miles a day, is expected to take 130 days to reach Independence, Oreg. The venture is sponsored by the On to Oregon Calvacade, Inc. The Oregon Centennial Commission has allocated \$25,000 to help finance the trip.

Six covered wagons to be used on the trip have been built at Eugene by Roy Barham. He is one of the few remaining wagon builders in the Pacific Northwest. Each of the wagons will cost \$1,650. They will be taken to Independence, by the Union Pacific Railroad without charge.

Dick Smith, of Roseburg, Oreg., president of Oregon Calvacade, Inc., explained that the communities of Independence, Drain, Hillsboro, and Roseburg, and Lane County are sponsoring the wagons. Gordon (Tex) Serpa, Ashland, Oreg., rancher and movie stunt rider, will act as wagon master.

SEMITRAILER DONATED

Serpa explained that many civic and business organizations throughout Oregon are contributing to the wagon train fund. The Oregon trucking associations are donating a 40-foot semitrailer to carry supplies for the modern day pioneers.

Plymouth division of Chrysler Motor Co., has donated a 1959 station wagon for use as a calvacade press car.

"We anticipate many hardships on the trail," the wagon master declared. "Our people intend as nearly as possible to emulate the pioneers who first made the trip by wagon train to Oregon. They will sleep in their wagons and cook in the open. Those who are making the trip have been carefully selected. They are prepared for a hard journey."

[From the Coos Bay (Oreg.) World, Apr. 6, 1959]

MATCHING OREGON'S MOUNTAINS

Men to match my mountains.

This, Oregon has had. She still does.

But this being the time to turn thoughts backward, we think of the Oregon men who matched her mountains long years past. They were the men, and women, who hewed a civilization out of a wilderness, a civilization founded on acquisitiveness but also born of a dream long dreamt by the American.

One hundred years is a very short time. But the way we measure years, it is a very long time.

The length of that span of years lends a romance to Oregon's pioneer days which the workaday citizens of those probably did not

feel. Yet, they gave us Oregon as we know it today—Oregon with all its faults but more important, with all its virtues and its magnificent present and more magnificent future. But the future is tomorrow. Today we think of the men and women who gave us the present.

We think of the tiny band of exhausted men, bearing a commission from a now legendary President of the United States, who struggled up rivers and over mountains for more than a year, nearly lost in the American vastness, in order to be the first of their race—and perhaps of any race—to traverse the continent within what would one day be the borders of the United States. RICHARD L. NEUBERGER, the noted Oregon author, has well said there was probably no excitement, no thrill of victory in the history of the Northwest to rival that felt by the men of Meriwether Lewis and William Clark when first they beheld the Pacific's waves breaking across the Columbia bar. How could there have been?

Yet it was only a moment of years after Lewis and Clark abandoned winter quarters at Fort Clatsop and headed back East to civilization before the first wave of immigrants arrived in the Oregon country. These first immigrants made Oregon American and set the stage for one of the most important and most dramatic mass migrations in human history.

There is scarcely an American alive unfamiliar with the Oregon Trail. The mere mention of it stirs up romantic visions of white-canvassed Conestogas lurching through a sea of grass, with rifle-across-arm outrider peeling an eye for hostiles. Generally, such visions do not contain the dust, the heat and sweat, nor the toil. For those who came over the trail, for the countless thousands in the countless thousand wagons, and on foot, some of them, those unromantic features were the only real things of that migration—the toil and sweat and misery, and yes—the dream of the good life to be earned by good work at journey's end.

"Oregon" had a tremendous meaning for those fathers of ours, both the ones who came and those who stayed behind. Oregon was the land of ever-shining mountains and ever-abundant fields, the expansive hope of an expansive land.

There were so many of those immigrants that today there are places in the parched midwestern plains where the ruts, worn deep into the earth by their wagons, are still pointed out to the curious, rubber-tired, air conditioned tourists of today.

Those ruts are sometimes created memorials, and interesting memorials at that. But they are nothing as memorials compared to Oregon itself.

The Civil War and statehood changed all that.

For every pioneer who came horseback, in a wagon, on a boat or who just trudged his way West, there were 100 or more who came on the railroad cars. But even so, these too were pioneers, for they came looking for opportunity and new land and work, and they found plenty of it.

They cleared the land and plowed it up and sowed it. They built roads, railroads and cities. They established logging camps and lumber mills. They fished, banked, baked and taught schools. They spread out eventually from the Willamette Valley Mecca, the original Oregon immigrant attraction, to all corners of the State and of Washington too, which was originally as "Oregon" as Oregon is today.

They were all kinds, these men and women of whom we think today. In the earliest days they were chiefly those shut out by the civilizing industrializing East and old West—that part of the "West" east of the Missouri River—but who still had the scratch to outfit for the long journey, or, lacking resources, set out without. The

strong ones made it and they created a State.

Their journey was akin to going to the moon today, although the goal seemed more enticing. Today, when the continent is spanned in 5½ hours, it takes real effort to imagine how far it really was in those days between Independence, Mo., and the Trail's western terminus at The Dalles of the Columbia. Few of those who undertook and completed that trek had illusions about its distance, however. That's why they were a strong people. That is why they built a good country.

They are all gone now, those strong men and women and yet somehow they remain to remind us of a heritage they handed us unasked.

If history is recorded in order to improve the present and the future by example, the history of Oregon's pioneers gives an example of devotion and optimism and work by which we can best continue to build.

We are all pioneers.

None of us will ever traverse a dusty, dangerous Oregon Trail. But in the context of his own time each is tested by conditions, and those with the pioneer spirit will build well for the next 100 years.

Will it that each of us can as much match Oregon's mountains as those who went before.—F. W. A.

INFLATION: HOW TO AVOID IT AND STILL HAVE MAXIMUM EMPLOYMENT AND MAXIMUM PRODUCTION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. REUSS] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. REUSS. Mr. Speaker, there is growing concern over the perils of inflation in our economy. For example, the April 19 issue of This Week will report that in a poll of the editors of 40 leading newspapers "Control Inflation" was cited as the most urgent national problem by more editors than any other, followed by such issues as national defense and interracial relations. In a survey of 1,500 wage earners polled by MacFadden Publications, Inc., in answer to the question "What single subject do you think is most important for Congress to act on in the coming year?", more selected "Inflation" than any other subject, with unemployment the second most important subject.

So it is entirely appropriate for Congress to reexamine our institutional arrangements critically, and to ask whether they can meet the problem of inflation. Fortunately, the Subcommittee on Executive and Legislative Reorganization of the House Committee on Government Operations, under the able chairmanship of the gentleman from Illinois [Mr. DAWSON], has on March 25-26 and on April 9 held exhaustive hearings upon a number of bills on the subject of inflation, among them H.R. 4870, introduced by me, the Senate version of which, S. 1237, has been introduced by Senator JOSEPH S. CLARK, of Pennsylvania. The subcommittee on April 9 reported out the bill, with amendments. The text of H.R. 6263, the clean bill which incorporates the

subcommittee's amendments, and which awaits the action of the full House Committee on Government Operations, follows:

TEXT OF H.R. 6263

A bill to amend the Employment Act of 1946 to provide for its more effective administration, and to bring to bear an informed public opinion upon price and wage increases which threaten economic stability

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Employment Act of 1946 (60 Stat. 23; 15 U.S.C. 1021 and the following), as amended, is amended by adding at the end thereof the following new section:

"SEC. 6. It is the sense of Congress that the President and the Federal Government, in executing this Act, shall give due effect to the following provisions of the Act:

"(a) The provision of section 2 setting forth the goals of maximum employment, production (including the concept of sustained growth), and purchasing power (including the concept of reasonable price stability).

"(b) The provisions of section 3(a) requiring the President to include in each year's Economic Report, in quantitative terms, the levels of employment, production, and purchasing power which he deems 'maximum', and current and foreseeable trends.

"(c) The provision of section 3(b) for the discretionary periodic transmittal of supplementary or revised recommendations.

"(d) The provisions of section 3(a) (3) for a review and of sections 3(a) (4) and 3(b) for programs and recommendations, including therein monetary and credit policies to the same extent as all other policies affecting employment, production, and purchasing power: *Provided*, That if the Federal Reserve Board disagrees with the monetary and credit policies included in such program and recommendations, the President in his report to the Congress shall include the Board's views and reasons."

SEC. 2. The Employment Act of 1946 is amended by adding a new section 7 as follows:

"SEC. 7. The President, directly or through any Federal agency he designates, shall hold public hearings concerning (a) price increases, prospective or actual, which in his judgment appears to threaten national economic stability, and (b) wage increases, prospective or actual, and the relationship of the price increases thereto, which the firm involved declares to be a cause of the price increases specified in clause (a) of this section. He shall issue factual summaries of such hearings, and, where he deems it advisable, issue advisory statements."

H.R. 6263 has two sections. Section 1 expresses the sense of Congress that the President and the Federal Government, in executing the Employment Act, should give due effect to certain specified provisions of the act. Section 2 empowers the President, directly or through any agency he designates, to hold public hearings for the purpose of bringing to bear an informed public opinion upon price increases, and associated wage increases, which threaten national economic stability.

SECTION 1—ADMINISTERING THE EMPLOYMENT ACT

The first section of H.R. 6263 underscores certain salutary provisions of the Employment Act of 1946 which have always been implicit in the act, but in recent years have been honored in the

breach by the President and the Council of Economic Advisers. The provisions which it is desired to revivify are four:

REASONABLE PRICE STABILITY

First. The statutory goal of the Employment Act of "maximum purchasing power"—a goal coordinate with maximum employment and maximum production—has until very recently been universally considered to include the concept of reasonable price stability. The first two Chairmen of the Council of Economic Advisers—1947-52—Dr. Edwin G. Nourse and Mr. Leon H. Keyserling, have both testified that during their administration the words "maximum purchasing power" constituted a goal of maintaining reasonable price stability. However, within the past year, leading Administration figures, such as Council of Economic Advisers' Chairman Raymond J. Saulnier, Federal Reserve Board Chairman William M. Martin, and the President himself, have cast doubt that the Employment Act's language really does contain the mandate of reasonable price stability. So the first provision of section 1 explicitly includes the goal of "reasonable price stability" within the act's goals. At the same time, the definition of "maximum production," another of the act's goals, is clarified so as to include the concept of "sustained growth."

STATING QUANTITATIVE GOALS

Second. Section 3(a) of the Employment Act requires the President to include in his Economic Report the levels of employment, production and purchasing power which he deems "maximum," as well as their current and anticipated levels. This congressional mandate was faithfully adhered to by the Executive Branch during the period 1947-52. Since then, however, no serious effort has been made to estimate the levels of employment, production and purchasing power as they are likely to be in the upcoming year, or to project a goal of what they ought to be, in order to be consistent with the act's purposes. The second provision of section 1 of H.R. 6263 indicates that these goals and estimates should be given, in quantitative terms.

SUPPLEMENTARY REPORTS

Third. Section 3(b) of the Employment Act provides for the periodic transmittal of supplementary and revised recommendations, after the January annual economic report. Again, during the period 1947-52, the Executive Branch found it desirable each year to issue a supplementary report in mid-passage. Since 1952, however, the Council of Economic Advisers is heard from in January, but then is heard no more by the Congress. Congress, for example, could be greatly assisted right now by the filing of a supplementary report by the Council of Economic Advisers, in the format prescribed by the Employment Act, with the Joint Economic Committee. Ironically, Chairman Raymond J. Saulnier of the Council of Economic Advisers has a lengthy interview in this week's—April 20—issue of U.S. News & World Report—pages 54 to 61—in which he submits to an across-the-board set of questions on the economic situation

ahead of us. If the Chairman of the Council of Economic Advisers can do this for U.S. News, why cannot he do it for the U.S. Congress? The third provision of section 1 hints gently that Congress would like to see this done.

MONETARY AND CREDIT RECOMMENDATIONS

Fourth. The fourth of the 4 provisions of section 1 requires the President to include, both in his review and his recommendations, monetary and credit policies to the same extent as all other economic policies affecting employment, production, and purchasing power. Again, from 1947 to 1952 the Economic Report presented to the Congress and the Nation a truly comprehensive and coordinated economic program which took account of all Federal economic policies, including monetary, and credit policies. The Federal Reserve System, being independent of the Executive, was of course free to disregard such of these policies as it disagreed with. Since 1953, however, the Administration has left monetary and credit policies out of its calculations entirely. As Chairman Saulnier of the CEA testified concerning the 1958 Economic Report:

In the Economic Report we have expressed no judgments as to the adequacy or inadequacy of credit policy. (Joint Economic Committee hearings on January, 1958, Economic Report of the President, p. 29.)

The January 1959 Economic Report of the President merely states:

"Responsibility for monetary and credit policies rests with the Federal Reserve authorities which have independent status within the Government" (p. 52).

DR. GERHARD COLM'S TESTIMONY

Dr. Gerhard Colm, Chief Economist of the National Planning Association, in his testimony on April 9 before the Dawson subcommittee, summarized very clearly the need for the four clarifying amendments contained in section 1 of H.R. 6263:

In the first group of interpretive amendments, maximum employment and production is defined so as to include the concept of sustained growth; maximum purchasing power is defined so as to include the concept of reasonable price stability. In my opinion, there cannot be any real question about the validity of these interpretations in the light of the legislative history of the act.

A second interpretive amendment requires the President's economic report to include statements in quantitative terms, of the levels of employment, production, and purchasing power needed to meet the objectives of the act. A review of the debate on the full employment bill of 1945 both by the committees of Congress and by the Congress itself shows that this is the meaning of the legislation as enacted. The Joint Economic Committee has interpreted the act in this way and has provided quantitative statements of the needed levels when the executive branch failed to do so.

As to the third interpretive amendment the Employment Act left it to the discretion of the President to decide when changes in the economic situation

called for supplementary reports and revised recommendations. But it was certainly the intent of these provisions that supplementary reports should be prepared in the event of a significant change in economic conditions. For example the Economic Report of January 1958 did not recognize the severity of the recession then underway. Not long thereafter, however, the President found it necessary to recommend and adopt measures in order to counteract the recession. In my opinion this situation warranted a supplementary economic report.

Finally, I also have no doubt that the intent of the Employment Act was to include a review of and recommendations for monetary and credit policies as part of the President's report on national economic policy. As a matter of fact, the first version of the full employment bill of 1945 was criticized because of an overemphasis on Government expenditures as an anticyclical device and a neglect of other devices, particularly monetary policies. The revision in the original language was intended to cover all policies which could affect employment, production, and purchasing power within the specified limitation of the act.

Since the interpretation of the Employment Act has been questioned in these four respects, it would in my opinion be desirable for the Congress to go on record with a clarification of the act.

SECTION 2—FOCUSING PUBLIC ATTENTION ON PRICE-WAGE INCREASES

Section 2 of H.R. 6263 directs the President, directly or through any agency he designates, to hold public hearings in order to focus an informed public opinion on price increases, and associated wage increases, "which appear to threaten national economic stability." The "national economic stability", it is clear from the testimony before the Dawson subcommittee, could be threatened by increases in those concentrated industries which tend to set the pace for the entire economy.

Section 2 contains no sanctions. But the mere fact of holding public hearings would give the public the opportunity to get the true facts concerning the justification for the proposed increases. The President, it is true, is empowered, if he wishes, to issue an advisory statement. But this need not be done, and certainly should not be done, until he has been able to evolve sound criteria for such a judgment. Even though no advisory statement is issued, the public character of the hearing would tend to make both management and labor more aware of the public interest in price stability.

DR. GARDNER MEANS' VIEWS

The kind of inflation which originates in the concentrated sector of the economy, even when there is a deficiency of general demand, and is hence not effectively controllable by monetary and fiscal policies, was well described by Dr. Gardner Means, Consulting Economist, in his testimony before the Dawson subcommittee on March 25:

The great bulk of the wholesale price inflation—from 1953 to 1958—was in the

concentrated industries. Steel alone accounted for nearly a quarter of the rise in the index and the steel and steel using industries accounted for two-thirds of the rise. Each of the administration dominated groups rose substantially. In contrast, the market dominated groups rose little or actually fell in the same period. This is what is meant by an administrative inflation.

Now this type of inflation is in complete contrast with the classical type of inflation such as we had after World War II and in the Korean war. Those inflations were demand inflations in which there was too much money chasing too few goods. As a result of the excess demand, market dominated prices rose first and most while administration dominated price lagged behind. Then, when there was no longer too much money chasing too few goods, market dominated prices dropped back and administration dominated prices continued to rise until a new balance of prices had been established.

The importance of this distinction lies in the fact, now coming to be widely accepted, that while a tight money policy may be able to control a demand inflation, it cannot control an administrative inflation. It has become clear that limiting demand by a tight money policy can create depression and unemployment but administrative inflation continues. Thus, the steel industry last summer raised its prices 3 percent in spite of the fact that its operations were down to 60 percent of capacity and in spite of the great price increases that had already occurred since 1953.

For the immediate problem of achieving full employment without serious administrative inflation, I regard public price hearings and publication of the facts as having an important role to play. I would be very strongly against the adoption of price and wage controls except as a distant and last resort when other measures had failed. But public hearings on prospective or actual price increases—and where necessary wage increases—could serve a very useful purpose where there was serious danger that such increases would threaten the stability of the economy and impede economic recovery. I would not contemplate a large number of hearings in any one year, but I would expect that the relevant data on costs, wages, productivity, and so forth, would allow the public to distinguish between legitimate and nonlegitimate price increases and bring home to those in control in the concentrated industries the policies which would represent responsible behavior toward economic recovery.

GALBRAITH'S TESTIMONY

Prof. John Kenneth Galbraith of Harvard University, in endorsing the price-wage hearings proposal before the subcommittee on March 25, had this to say:

Now, it will be plain, I think, Mr. Chairman, that if the cause of the inflation is not an excess of demand, then it cannot be remedied by either monetary policy or fiscal policy, the purpose of which is to cut down demand. This seems to me to be the essential am-

biguity and error in the present policy of the Government, of the administration.

Although the Federal Reserve authorities have tended to accept administered prices as the cause of the inflation, the remedies have continued to be the cutting back of demand, and we should remind ourselves that when you cut back on demand, you also have the effect of increasing unemployment. This is what a reduction in demand for goods does, and you have some reduction in the rate of growth in the economy, because it is when the economy is pressing on its capacity that firms add to their capacity. When they have idle capacity, they don't feel similarly obliged.

This means that the monetary and fiscal policies largely bypass the problem of the kind of inflation that we have, and by contributing to unemployment and by slowing the rate of growth, we have other effects which we don't want.

Dr. Colm, in his testimony before the subcommittee on April 9, shows the relevance of the price-wage hearings procedure if we are to insure both economic growth and price stability:

One of the most important tasks of economic policy is to reconcile the principal objectives of the Employment Act, namely the promotion of economic growth and of reasonable price stability under full employment conditions. The legislative proposal before you merits your serious consideration because it comes to grips with this task.

Until a few years ago, some economists still denied that there really are two kinds of inflation. The experience of the recession has demonstrated beyond doubt that in the modern economy prices can rise even when there is a slack in demand. In such a situation the use of monetary policy to combat the price rise would aggravate the slack in demand. That is what actually happened in the fall of 1957.

The price rise in 1957 and 1958 should not have been combated by monetary policy; it should have been combated by other means. A procedure such as that proposed in the bill under consideration could have been of great usefulness in that situation. Not all situations will be so clear cut as that of 1957-58. Often both types of inflation occur at the same time so that several anti-inflation policies will have to be used in combination.

ADMINISTRATIONS ARE INSUFFICIENT

In the face of demand inflation, policies would be needed which curtail demand and/or increase supply. Appeals for self-restraint in buying can at best hold back the price rise only temporarily. A cost-push or administered price inflation, however, requires a variety of other measures. A cost-push or administered price inflation can be mitigated in the longer run by policies which promote competition. However, in the structure of modern business and labor completely competitive conditions cannot be achieved. Neither prices nor wages are wholly determined by the forces of supply and demand. There remains a considerable margin within which prices and wages are determined by deliberate decisions of business managers and the partners in collective bargaining. These deliberate decisions may or may not be most conducive to economic growth and price stability. The

question then is how can a policy be achieved which at the same time does justice to the long-range interests of the parties concerned and takes into consideration the national interests of long-term growth and reasonable price stability? Such reconciliation of private and public interests can be achieved if the parties exercise some degree of self-restraint.

As I understand it this proposal does not intend to adopt price or wage controls. Rather, it is designed to put some teeth into the "jawbone" approach to the promotion of self-restraint. The President under this proposal could order that hearings be held on actual or prospective price increase and such wage increases which the firm involved declares would necessitate price increases. The knowledge that hearings may be held and that summary conclusions and advisory statements may be issued would, I believe, add to the self-restraint of both management and labor.

I am aware of the fact that some business organizations and some labor organizations have objected to the proposal. Some people have expressed concern that the holding of hearings on price and wage changes might be only the first step to imposing price and wage controls. They fear that it might serve as the notorious nose of the camel getting into the private business tent. While I do not see that price and wage controls should be a consequence of this proposal, I too believe that no additional measure of Government intervention in the private sphere should be adopted unless the alternatives are even less desirable.

What then are the alternatives? Let me first say that the threat of an imminent runaway inflation is not why I favor this proposal. As a matter of fact, I believe that some of the fears which have been expressed by people inside and outside the Government are grossly exaggerated. In the long-term perspective the recent price increases in the United States have been relatively mild, if we exclude the periods of war and the aftermath of war. I am concerned, however, with the persistency of small price rises, particularly in periods of slack demand. If the Government officially adopts a policy of looking in the other direction whenever prices rise, business, labor, consumers, and investors may anticipate a continuing price rise with the consequence that a small price rise would soon become an inflation spiral.

The use of conventional methods, such as a restrictive monetary policy, to fight such price rises may interfere with the objective of achieving a desirable rate of economic growth. Economic stagnation could result if not economic recession or depressions.

Some may say that since the situation is not yet alarming, we might as well wait until the problem becomes really urgent. My answer is that at this point we may be able to achieve reasonable price stability with mild measures and avoid the necessity of price and wage controls. If the public gets the impression that the Government is not really

serious about keeping prices in line, then the speculative anticipation of further price rises may magnify the problem; in the end this might lead to the necessity of price and wage controls. Thus, it may well be that a proposal such as the one before this committee may be regarded as a measure avoiding rather than leading to price and wage controls. The amendment proposed in H.R. 4870 with proper implementation would in my opinion demonstrate that the Government is concerned with price stability and would thereby have a considerable effect on the behavior of all concerned without necessitating direct controls.

OPPOSITION IS FORMIDABLE

I wish I could report, Mr. Speaker, that practically everybody favors my bill. Actually, I have to admit that almost everybody important is against it. The administration opposes it. The Federal Reserve is against it. The U.S. Chamber of Commerce is against it. The AFL-CIO is against it.

Bernard D. Nossiter, the perceptive economic columnist of the Washington Post, commented upon this in the March 31 issue:

ECONOMIC BLOOMS—STRANGE ALLIANCES SPROUT ON HILL

(By Bernard D. Nossiter)

This is the time of the year when the soft spring mood of love creeps into the strangest quarters. It has inspired the unlikely economic and political combinations on Capitol Hill.

Here are two pairs inspired by the great economic debate over what to do about rising prices, high unemployment, and slow economic growth:

1. Last week both the AFL-CIO and the U.S. Chamber of Commerce opposed the same bill in testimony before the House Government Operations Committee. The two big interest groups agreed that the measure in question would be a mistake. This bill would require big industry or big labor to tell a Government body why specific prices and specific wages should be raised.

2. Yesterday some shrewd Hill sources predicted that at least the Democratic majority of the Government Operations Committee would report out just such a bill—one embodying the notification feature of the measure sponsored by Representative HENRY REUSS, Democrat, of Wisconsin, and Senator JOSEPH CLARK, Democrat, of Pennsylvania. And on Thursday, Senator ALEXANDER WILEY, Republican, of Wisconsin, said President Eisenhower correctly recognized that the consumer has a very direct stake in the steel industry's wage-price talks. Moreover, WILEY's remarks were publicized in a statement written by the staff of the Senate minority policy committee.

All this is not spring madness. The big unions and the big corporations, according to some testimony, have a vested interest in rising wages and profit-breeding rising prices. Then both Republicans and Democrats have a vested interest in getting elected, and there are more consumers than there are labor or business leaders.

Hill cynics point out that it is folly to pass any bill opposed by organized business and organized labor. These groups, they say, are articulate and organized. Consumers, of course, are not. However, Hill professionals say that some consumers are writing letters—the pensioners, Government workers, professionals and white-collar workers, groups that have unorganized votes.

Despite the moves toward superunity among labor and business on the crucial matters, there are differences in style.

The chamber is strident. It said this of the Reuss-Clark price-wage notification provision:

"To transfer individual price-wage decisions from impersonal markets to the political arena would signal the end of consumer sovereignty and economic freedom."

The AFL-CIO is subtle. It said this:

"We think this proposal needs more study * * * there are no sanctions in (the) bill. We are not certain how effective such a public hearing procedure could be in the absence of sanctions. We question whether the introduction of wages as a separate issue into such a procedure for public hearings serves any useful purpose."

So, in another subtle thrust, AFL-CIO proposed that the question be studied by the Joint Economic Committee, whose investigation into price-jobs-growth has just started. Interestingly enough, in this committee's first round of hearings it heard from four distinguished witnesses. But unlike the Government Operations Committee, covering the same ground, the Joint Economic Committee had no time, as yet at least, for any of the many economists who favor the Reuss-Clark idea.

All of which probably goes to prove that the course of true love, even in the spring, doesn't always run smoothly.

The Washington Post has summed up the case for the price-wage hearings provision very well in two recent editorials: [From the Washington Post, Mar. 27, 1959]

THE PRESIDENT ON STEEL

President Eisenhower has followed his economic advisers—and those of the Federal Reserve Board—into vigorous battle on the price issue. In the most forthright and forceful statement he has yet made on the subject, the President has asserted the public interest in the forthcoming steel wage talks, urging both the companies and the unions to forego any steps that might lead to another round of price increases. This is the first time that the President has addressed himself so boldly to a specific inflationary threat arising from the ability of the concentrated industries, like steel, to defy the normal laws of supply and demand. In view of general expectations of another difficult bargaining session and fears of a protracted strike—despite the fact that the steel industry is operating far below capacity—Mr. Eisenhower's warnings are most timely.

A chief difficulty, of course, is that labor and management will interpret the President differently. Wisely the President has not ruled out all concessions to the unions; the general administration view reportedly is that modest wage and other improvements could be absorbed out of the relatively high current earnings of the industry. This of course leaves open to dispute how much the unions can insist upon and still heed the President's injunction. Management, on the other hand, advised against any price increase, undoubtedly will insist that this means no wage improvement either.

Mr. Eisenhower's plea for restraint would be notably reinforced, we believe, if there were some kind of machinery to investigate and state the public case in more detail. For example, there is a wide gulf between union and management claims on how the rates of wage and profit increases in recent years compare, each side arguing that it is being shortchanged. For our part, we are persuaded that earnings have outdistanced wages by quite a margin—but a public, impartial finding on this and other factual aspects of the situation would be most helpful.

It is difficult to understand, therefore, why some administration spokesmen are so cool toward the proposals of Senator CLARK, Representative REUSS and others that would enable the public to get the facts. Perhaps something short of a full-fledged, adversary-

type proceeding would suffice, but clearly even the sternest presidential warnings would avail more if set against a detailed factual background. Congress could usefully buttress the President's strong stand on this important question by setting up an appropriate factfinding mechanism.

[From the Washington Post, Apr. 3, 1959]

WHAT OF THE CONSUMER?

It ought to come as no great surprise, we suppose, that spokesmen for both "big labor" and "big business" are opposed to proposals for a Government review of price-wage changes that might have a significant inflationary impact. The fact that neither group wants such a review might in a sense be taken as prima facie evidence of the need for it. In too many wage negotiations since World War II it has appeared that management's attitude was too "easy" and labor's too demanding in relation to normal market and price considerations, each side apparently feeling that the consumer could be stuck for the bill, or most of it, whether he liked it or not. This, at least, has seemed the case in the concentrated industries like steel where prices have spiraled almost steadily despite marked periodic declines in demand.

The difficulties with outright price-wage control are of course so great that only in a war or other extreme emergency should such measures be undertaken. Similarly, extensive Government involvement even in a review and factfinding procedure, relying upon public opinion for "enforcement," would have its pitfalls. Full adversary proceedings, with all the paraphernalia of a "record," of hearings, evidence and cross-examination, might seriously subvert the necessary private bargaining process and also introduce delays that could make the economy sluggish and less responsive to public demands than it sometimes is.

But a limited, public "sampling" of the factors in major wage and price decisions, undertaken as and if needed by a nonpartisan, expert board whose findings could be expeditiously developed and published, might serve a most useful purpose. Whatever such a board might say, labor or management or both would be free to dispute it and to act as each might see fit. But the confused public, unable to reconcile the widely divergent claims of both sides in major contract disputes and important price adjustments, would at least have an independent source of information. In time, a competent factfinding procedure of this kind could come to have a stabilizing effect on both business and labor leadership. The decisions would still lie with the companies and the unions, but a greater capacity to judge their wisdom would become the public's. The consumer might then make his voice heard at the bargaining tables.

UNJUSTIFIABLE RESTRICTIONS ON INFORMATION CONTROLLED BY THE EXECUTIVE BRANCH

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. MOSS] is recognized for 15 minutes.

Mr. MOSS. Mr. Speaker, twice—last Friday and yesterday—the Honorable CLARE HOFFMAN, of Michigan, inaccurately attacked the work which the Special Subcommittee on Government Information is doing to remove unjustifiable restrictions on information controlled by the executive branch and he impugned my motives as chairman of the subcommittee. I now wish to clarify the facts which were so badly twisted by my distinguished colleague from Michigan—facts to which he had ready access as

the minority member of the subcommittee.

First, Mr. Speaker, I would like to comment on a most interesting coincidence. The tenor of the attack by the minority member of the subcommittee, Mr. HOFFMAN, is identical to the tenor of a similarly baseless charge by Mr. Robert Dechert, General Counsel of the Department of Defense. The date of Mr. HOFFMAN's first attack on the floor of the House of Representatives, April 10, and the date of Mr. Dechert's letter attacking the subcommittee are identical. And both attacks make the same errors.

Mr. Speaker, I would not dream of charging that there was any sort of collusion between these two respected gentlemen. I would never contend that the Republican member of the subcommittee was influenced to make his attack by the Republican General Counsel of the Department of Defense. But both gentlemen contend that the subcommittee's inquiry into the fouled-up security system in the Pentagon benefits the Communists. And both gentlemen—highly intelligent, I am sure; extremely patriotic, I am certain, and well informed if they wished to be—overlook the fact that disrespect in the Pentagon for the information security system is generated by the excessive abuses of the system.

Also, I am somewhat surprised to find two such distinguished and honorable gentlemen adopting the Communist scare technique—a political technique discredited because it has been used so often by those whose arguments are weak and, therefore, they find it more expedient to impugn the motives of those they attack.

Mr. Speaker, I can best answer Mr. HOFFMAN's attack on the subcommittee's work by putting in this public RECORD the same letter which I sent yesterday to the Secretary of Defense in response to the wholly unwarranted and erroneous charges of Mr. Dechert. In summary, the facts set forth in the letters are these:

On March 30, 1959, the subcommittee asked Secretary of Defense Neil H. McElroy for an explanation of the apparent on-again-off-again secrecy about the use of monkeys in research projects. The subcommittee also asked for an explanation of how the disclosure that monkeys are used in scientific satellites could prejudice the defense interests of the Nation.

On April 10, 1959, Mr. Dechert leveled his attack on the subcommittee, charging that information concerning classified matters has been disclosed by an employee of the Department of Defense, without authority. Mr. Dechert, backed up yesterday by Mr. HOFFMAN, demanded full details on the source of the subcommittee's information which led to the inquiry.

The subcommittee is most happy, in a spirit of cooperation—not, I emphasize in response to Mr. Dechert's demand, but in a spirit of full cooperation—to provide the details of its investigation. The subcommittee's answer to Mr. Dechert's letter, delivered to Secretary McElroy yesterday, provides this information which is, in summary:

First. The initial subcommittee source was a U.S. Air Force official announcement—Washington Post, December 4, 1958—which was expanded by Department of Defense Press Release No. 1230-58—December 3, 1958.

Second. This official information on the use of monkeys in satellites and other scientific research projects was enlarged upon at a public press conference by Mr. Roy W. Johnson, Director of the Department's Advanced Research Projects Agency—December 3, 1958.

Third. Another source of information was a 2-page article written for Life magazine—January 5, 1959—by the Director of the Astronautics Division of the U.S. Navy's Bureau of Ships. This article included pictures and extensive details on space flights of monkeys.

Fourth. When reporters asked information officials at the Wright Air Development Center near Dayton, Ohio, whether monkeys were being readied for space flights, the information officials checked with the Pentagon and were told to keep their mouths shut—December 5, 1958.

Fifth. The New York Times later reported that there was a clampdown on mentioning monkeys in space "because there are some people in this world who get as emotional about monkeys as Americans get about dogs"—December 8, 1958.

Sixth. A Pentagon information official informed the subcommittee of the existence of Assistant Secretary Snyder's classified monkey memorandum—a fact which is not secret since Mr. Dechert has disclosed even the contents of the classified memorandum.

Seventh. In an attempt to clarify this on-again-off-again secrecy which sometimes prohibited even the mention of the word "monkey" and other times permitted Pentagon publicity experts to hippodrome monkey research, the subcommittee telephoned public, nonmilitary research personnel. These contacts included the National Advisory Committee for Rhesus Monkey Requirements, a function of the National Research Council with offices at the National Institutes of Health.

Eighth. Other similar nonmilitary, unclassified sources on the problems of obtaining monkeys for scientific research are the Parke, Davis & Co. laboratory in Detroit, the Eli Lilly & Co. laboratory in Indianapolis, and other pharmaceutical laboratory officials who have discussed the problem with Mr. S. G. Ramachandran, commercial secretary of the Indian Embassy.

Ninth. From such public sources, it can be determined that there was a ban on the shipment of research monkeys from India from February 1958 to June 1958. The ban was imposed after animal protection organizations in the United States and in India—where there is a cult of monkey worshippers—complained to the Indian Government. The ban was lifted after officials of the Indian Government conferred on the humane treatment of research monkeys with representatives of the National Advisory Committee for Rhesus Monkey Requirements. Representatives of the

State and Commerce Departments also participated in the meetings.

Mr. Speaker, now that the distinguished gentleman from Michigan and the General Counsel of the Defense Department from Philadelphia have the facts—facts, incidentally, which can be collected by anyone who can read a newspaper and use a telephone directory—I hope they will help me pursue the subcommittee's original request, to quote from the letter of March 30, 1959, for a full explanation of the apparent on-again-off-again secrecy about the use of monkeys in research projects.

If the military security of the United States justifies any control of this type of information, that control should have followed a consistent pattern instead of the highly contradictory pattern detailed by the subcommittee's records.

It might be interesting, Mr. Speaker, to know that out at the Washington Zoo is a cage containing a Macaque monkey, and on the cage is a plaque which reports that this is one of two monkeys sent up in 1952 in an Air Force Aerobee rocket to a height of 200,000 feet into the upper atmosphere from New Mexico. He was subjected to 15 G's pressure on takeoff. He is a gift of Air Research and Development Command, November 1953.

Mr. Speaker, as I stated at the beginning, I have been attacked both by my distinguished colleague [Mr. HOFFMAN] and by a letter from the General Counsel of the Department of Defense. My motives have been impugned. I have been accused of following a pattern which would give aid and comfort to the Communists.

I submit that the ridiculous pattern being pursued by the Defense Department in the hopelessly impossible task of classifying the unclassifiable does far more damage than any policy of open aboveboardness which I have advocated.

I have never advocated, and the gentleman from Michigan has repeatedly heard me reaffirm this in the hearings of the subcommittee, anything but the most stringent security over information which could in any way affect adversely the security of the United States.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I am very happy to yield to my distinguished colleague from Florida.

Mr. FASCELL. I gather from the gentleman's statement that the charge has been made that the Subcommittee on Information either sought classified information or declassified information which hitherto had been classified. I am satisfied from the gentleman's statement here of the fact that the information had already been made public long before this issue ever arose. Is that correct? Is that the gentleman's position?

Mr. MOSS. That is the position I have taken. I think the record bears me out.

Mr. FASCELL. As a member of the subcommittee, it has been my understanding that this subcommittee has followed a policy that we have never sought classified information of any kind. Is my understanding correct and is that still the policy of the subcommittee?

Mr. MOSS. That is the policy of the subcommittee.

Mr. FASCELL. Will the gentleman agree with me that the records of this subcommittee in hearings that have been held over many years bear ample proof of the complaints that have been made that there is overclassification of matters which have nothing to do with national defense?

Mr. MOSS. The record will bear it out, and I quoted in my letter yesterday to Secretary McElroy a statement from the Coolidge committee which was appointed by former Secretary of Defense Charles Wilson for the study of this matter. That committee in reporting to us in public hearings made this statement referring to overclassification:

The result is not only that the system fails to supply to the public information which its proper operation would supply, but the system has become so overloaded that proper protection of information which should be protected has suffered. The press regards the stamp of classification with feelings which vary from indifference to active contempt. Within the Department of Defense itself the mass of classified papers has inevitably resulted in a casual attitude toward classified information, at least on the part of many.

That committee was chaired by Mr. Charles Coolidge, a distinguished former Assistant Secretary of Defense, and four flag officers of the military services served with him.

Mr. FASCELL. Mr. Speaker, will the gentleman yield further?

Mr. MOSS. I am very pleased to yield further to the gentleman.

Mr. FASCELL. It has been my understanding the gentleman's position is that there has been a great mass of information which is properly classifiable under the President's Executive order in the national interest.

Mr. MOSS. That is correct.

Mr. FASCELL. Will the gentleman yield further?

Mr. MOSS. I am very happy to yield further to the gentleman.

Mr. FASCELL. Does the gentleman agree with me that the great bulk of the investigations which have come about in this subcommittee have resulted naturally, because of the fact that the greatest classification of matters originates within the Defense Department?

Mr. MOSS. That is also correct.

Mr. FASCELL. And it would seem to be at this point they are getting overly sensitive about the whole situation?

Mr. MOSS. I would conclude from this most recent exchange that they are almost dedicated to making it so uncomfortable for those of us on the subcommittee that we will back away from probing their irresponsible actions. And I want to serve notice on them that that I have no intention of doing.

Mr. FASCELL. Will the gentleman yield further?

Mr. MOSS. I yield further to the gentleman.

Mr. FASCELL. I certainly concur with the gentleman. I regret that the Department of Defense has used this issue to make unwarranted charges and impugn the motives of the chairman, be-

cause it has been my observation in serving with the gentleman on this subcommittee that he has made a remarkable record and has rendered a great public service to the people of this country in fighting for information which should be made available to the American people.

Mr. MOSS. I thank my colleague for his support. I wish to include in the RECORD the published sources of information to which I referred earlier.

The Washington Post and Times Herald, page A20, December 4, 1958:

The initial launchings will be made primarily to test the vehicle itself, especially its propulsion and guidance. Later satellites will contain biomedical specimens to seek data on environmental conditions which will be useful to the man-in-space program being carried out jointly by ARPA and the National Aeronautics and Space Administration. As part of this program, live animals, including primates, will be carried aloft and their recovery attempted.

The Air Force announced a few days ago that it was reading test animals for space flights, the animals ranging from mice to monkeys large enough to put in a 2-quart jar.

The news release from the Department of Defense, Office of Public Information, Washington, D.C., December 3, 1958:

"PROJECT DISCOVERER" SATELLITE PROGRAM ANNOUNCED BY DEPARTMENT OF DEFENSE

The first attempt to launch a satellite over the Pacific Missile Range will be made late this year or early next year from Vandenberg Air Force Base, Calif., the Department of Defense announced today. This launching will be part of a series—designated "Project Discoverer"—to be carried out by the Department of the Air Force under the direction of the Defense Department's Advanced Research Projects Agency.

The purpose of ARPA's Project Discoverer is to continue development of a number of systems and techniques which will be employed in the operation of space vehicles. Although no precise number of launchings has been scheduled for the project, it is expected a considerable number will be attempted because of the nature and variety of the experiments involved and the fact that the satellites will orbit only for short periods of time.

The initial launching primarily will be to test the vehicle itself, especially its propulsion and guidance. Later, the satellites will contain biomedical specimens to seek data on environmental conditions which will be useful to the man-in-space program being carried out jointly by ARPA and the National Aeronautics and Space Administration. As part of this program, live animals also will be carried aloft and their recovery attempted in order to develop the techniques involved.

The first Discoverer vehicle is a 2-stage rocket. The main stage is a modified Thor IRBM produced by the Douglas Aircraft Co. The second stage is a new vehicle produced by the Lockheed Aircraft Corp. and powered by a Bell-Hustler engine.

The first Discoverer-launched satellites are expected to weigh approximately 1,300 pounds. This includes the weight of the second stage vehicle which will orbit as an integral part of the satellite after burnout. Initial versions of the Discoverer satellite are designed to orbit for short periods of time at relatively low altitude. High altitudes are not possible with the weight-thrust ratio established for the Discoverer.

Much of the data expected to be obtained from project Discoverer, such as results of

the biomedical flights, will be of general scientific interest and will be unclassified. Other results which will be highly significant for the development of later systems and techniques for space navigation involve national security and will be classified.

The Dayton Daily News, December 5, 1958, reprinted by the Associated Press, December 14, 1958:

NARY A MOUSE SQUEAK, EITHER—MONKEYS AIN'T TALKING ON SATELLITES

Monkey business at the Wright Air Development center is classified top secret.

About 2 weeks ago when the Daily News heard monkeys might be "in training" for space travel at the base here, a reporter queried public information officials and was told "monkeys are classified."

Then when it was announced Wednesday by the Department of Defense in Washington that the United States will start firing a series of big satellites from California in the next few weeks—and that some will carry mice and monkeys—the queries started over.

Were some of the mice and monkeys involved in the project being trained or tested at WADC's Aero Medical laboratory? And if so, could they meet the press?

"That was a D. of D. (Department of Defense) announcement and not an ARDC (Air Research and Development Command) or a WADC (Wright Air Development Center) announcement," answered a public information officer. "We don't have anything to do with their monkeys."

So what about mice?

"You'll have to talk to the PIO (Public Information Officer) in charge of the Aero Med lab about that."

"We can't talk about anything in that area," reported the second PIO.

Monkeys or mice?

"Either."

"No comment," interjected the first PIO. Since humans who have been involved in space medicine tests, such as isolation for long periods at the Aero Medical laboratory, have emerged to hold press conferences it didn't appear that a monkey or mouse could say much to endanger national security.

Therefore a call to the Pentagon and to the top echelon of Air Force PIOs was indicated.

At 2:30 p.m. yesterday a general came on the phone. "Monkeys? Mice? I don't know about that situation. I'd better let you talk to our colonel who is in charge of Operation Discoverer." Discoverer is the Defense Department's tag for the project that will send the now-incommunicado monkeys and mice chattering off into space.

"I don't know where they are or if they're classified," the colonel in charge of the project said.

Reminded that most of the space medicine experiments in the past involving human weren't classified and asked how come monkeys might be, the colonel answered: "Well, we've got to think of every little thing, you know."

Well, would he find out about the monkeys and the mice?

"Most certainly will. Most certainly."

Twenty minutes later the phone rang. It was the man everything started with—the first PIO at WADC.

"Had a call from Washington," he said.

So?

"He told me to keep my mouth shut."

So, apparently, will the space-bound monkeys and mice, wherever they may be.

But chattering away right now at the Washington, D.C. zoo are Pat and Mike, two monkeys who rode an Aerobee rocket into space for the Air Force in 1952. It is hoped they won't say anything they shouldn't.

The Dayton Daily News, December 7, 1954:

**EVOLUTION REVERSING TREND? WADC HINTED
APING FOR SPACE**
(By Jack Jones)

If scientists are monkeying around under top secret security wraps at Wright Air Development center, they may be aping what will happen to the first man in space.

The advanced research projects agency announced last week that monkeys will be fired into orbit soon. Some people think the first space passengers are now in training at WADC here.

WADC says the monkey business is classified but does not say why.

Not having access to classified information, and therefore in no position to disclose any valuable secrets to the enemy, the layman may find it interesting to speculate what sort of monkey business WADC scientists might be up to, if they had any monkeys.

It is a matter of public record that Air Force scientists were involved in shooting monkeys and mice into space in Aerobee rockets in 1952.

Then, as now, one of the biggest problems puzzling scientists seemed to be the physiological effects to prolonged weightlessness.

A passenger in an earth satellite would feel no gravity. He wouldn't weigh anything and might tend to float around in his tiny capsule.

This condition has been simulated for short periods—less than a minute—in jet planes. But nobody knows for sure what will happen to the human body under long exposure to zero-g conditions.

Col. John Paul Stapp, head of the WADC's aero medical laboratory, was quoted last spring to the effect that he would want to send up and recover three orbiting satellites containing chimpanzees before he would consider it safe enough to try with a man aboard.

Now it can be assumed that Air Force scientists wouldn't just pick a chimp out of his cage and pop him into a nose cone compartment for his experimental voyage. They would make long and careful preparations so as to gain as much knowledge from each shot as possible.

The researchers would probably want to find out as much as they could about the effects of weightlessness, for one thing.

For this, during the actual satellite firing, they would have tiny wires taped to the animal's skin so his heartbeat, respiration, skin temperature, and other information on his physical condition could be telemetered to the ground.

But to try to determine whether changes in his heartbeat were caused by weightlessness or simply, say, by the feeling of being cooped up in a tiny compartment, the scientists probably would have performed earlier some baseline experiments.

By putting the animal in a tiny, earth-bound nose cone, they could check, in the laboratory, what effect close confinement might have.

Similarly, they might well see how the animal reacted to the effects of the "g" forces that would be imposed by the rocket's blastoff. This could be simulated in the WADC centrifuge.

A space traveler is also expected to encounter other unusual conditions. His spaceship may vibrate. It may get very hot—during the blastoff and during the re-entry—or very cold during the trip through the airless void beyond the earth's atmosphere.

He may have a limited oxygen supply. Prolonged breathing in the small space capsule could result in high humidity. His supplies of food and drink may have to be small because of space and weight limitations.

Most of these conditions can be simulated in the various climatic and environmental chambers of WADC's Aero Medical Laboratory.

Over the years, scores of volunteer human subjects have undergone tests to show how humans might bear up under these conditions or to discover what protective measures can be taken to insure the human's survival and possibly even his comfort. In these tests, the humans are often "wired" for skin response, just as the animals would be.

It can be expected that "space monkeys" could be put through the same tests in the laboratory.

Effects of the various environments would be determined with as much accuracy as possible to establish the scientists' baselines.

Then when the rockets roar off the pad and through the earth's atmosphere into the silent void of space, whatever different effects are observed via the telemetry channels can be assumed to be the effects of actual space flight.

And the scientists will have taken one more big step toward the goal of putting a human being into space flight.

The Dayton Daily News, December 7, 1958:

**AIR FORCE MONKEY BUSINESS FOOLISHLY
STAMPED "SECRET"**

A picture of monkeys and mice cowering behind a curtain of official secrecy is less amusing than it seems. However trivial, the instance affords one more example of unjustifiable secrecy in conduct of public business.

Experiments with monkeys and mice in test satellite firings or other aspects of space medicine are not news to the enemy. Even if they were, they would scarcely give him any leads that he would not long since have been capable of developing by his own efforts. In information of this sort there is no faintly legitimate element of security.

Yet both local and Pentagon Air Force news sources have clammed up and refused to say whether animals are being used in experiments at the Wright Air Development Center.

Merely adding to the incongruity is the fact that Air Force and WADC information officers clamped down on news which days ago had been announced by Defense Department headquarters. Unfortunately, many areas of information which ought to be open to the public have been surrounded by unbroken walls of security.

Much that Government officials—not always confined to the military—tag with the label of "security" is merely information that might open the way to criticism, embarrassment, or public controversy. But criticism and controversy are the lifeblood of a healthy democracy. They should be abridged only to the extent that is necessary to protect vital military and scientific secrets.

The New York Times, December 8, 1958:

PRIMATESHINES

The art of "Washington Speak," as every ninny knows, lies in never calling a monkey a monkey. When the Defense Department announced last week its latest satellite program—this one to put living creatures in celestial orbit—it explained that the space travelers would be "mice and primates."

Did the Department mean "mice and monkeys"? someone insisted on knowing. "Mice and primates," Defense replied, doggedly.

Later, a loose-talker confided that those "primates" would be "monkeys," all right. Defense would rather not call them monkeys, he explained, because there are some people in this world who get as emotional about monkeys as Americans get about dogs.

These people, Defense figures, are apt to complain about maltreating monkeys. Ergo, it will fool them with primates.

CLASSIFIED INFORMATION

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 20 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I am still somewhat in doubt as to what is bothering the gentleman from California [Mr. Moss]. Apparently, he claims that I liken some of his methods or thought to those of the Communists. Well, he did the same thing when he said I was using the tactics of the Communists. Of course, neither one of us meant that either had any agreement or like thought with the Communists. Methods are sometimes similar, of course—or something like that. All I can get out of what the gentleman said in the colloquy between himself and the other members of the committee—there are three of us on this committee, the gentleman from California [Mr. Moss], the chairman, the gentleman from Florida [Mr. FASCELL], who is the other member, and I am the Republican member, the only Republican member on the committee. Before I start on this discussion, from my standpoint anyway, I want to say this: I have not made the complaint before, and I would not now had the matter not been brought up in the way that it has. These statements have been issued to the press and have been coming out for something like 2 years. They are issued under the designation of "chairman of the committee." The gentleman from California [Mr. Moss] is chairman and it is his statement, but when it comes out that way, it is charged up sometimes to the whole committee. I do not see these press releases before they are issued—and I am not complaining about it—I do not care—put out all of them that you want to.

Mr. MOSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. MOSS. If the gentleman had inquired, he would have found that the story that seemed to disturb the gentleman occurred because of a press release. This committee did not issue a press release which brought about the story reported by the Associated Press.

This committee has followed the practice, wherever we have a complaint, of supplying to the complainant—in this case the Dayton Daily News—a copy of the initial letter of inquiry that was addressed to the governmental agency giving them full opportunity to state their side of the case. The Daily News then determined to release that.

Mr. HOFFMAN of Michigan. Well, I do not care to yield any more on that. What I said was that the press releases go out before I have seen them. Does the gentleman deny that?

Mr. MOSS. Most assuredly.

Mr. HOFFMAN of Michigan. All right. The first I ever saw of them was in the paper, and that is all there is to it. They run that committee. That is

all right. I have no fault to find. I do not care what they put in the paper. I can answer it, especially when it is wrong, as it usually is. I do not know so much about the views of the gentleman from Florida [Mr. FASCELL], but the chairman is thoroughly and honestly convinced that the executive departments are withholding information to which he is entitled and to which the committee and the press are entitled; that they are marking as confidential matter things that are not confidential. And in this last complaint they are inconsistent. At one time they are marking "Confidential" something that is not confidential, like the monkey in the zoo, to which the gentleman referred.

Mr. MOSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. MOSS. Is that not the position which the gentleman took himself during the previous two administrations, their withholding on the claim of privilege?

Mr. HOFFMAN of Michigan. Sure. I introduced a bill which passed the House to make the departments give us more information. It is usually so that I and the other fellow are going to cover up our mistakes insofar as we can. The gentleman is not running around advertising his faults, nor am I, nor are the departments. The only place we differ is that under the Constitution certain authority is given to the President. That authority neither the Congress nor the courts have the right to question. If you are in doubt about the soundness of the views I am expressing, I ask you to go back and read the talk which the Speaker and the majority leader made when we had that bill before us at previous times. The Speaker said: "What are you going to do about it? Impeach him?" The only question is the authority of Congress. I have deliberately, when the Navy refused to give me and the committee information which was wanted, suggested to him that our subcommittee and the full committee ask the Congress to vote a citation for contempt, and the Supreme Court will lay down the line. The reply to that was that he thought we could get it in another way, perhaps by holding up appropriations, which perhaps we can. He also said in answer to my question that we have a nuisance value and we could force the department to disclose this information.

As I understand it, the gentleman thinks I challenge his intelligence and his loyalty, or something. I have the greatest admiration for the gentleman, especially for his determination to get something that he wants and he thinks he has a right to. I have been here 24 years, and if I sat down and tried half the night to dig up some ill feeling against some Member on either side, I could not do it.

Now that is a fact, although you may not believe it. I do not know of a Member who has been here since I have, whose integrity, whose patriotism, and whose intelligence I question at all.

We have differences of opinion, the chairman and I, when we get on some of these questions and he may flare up like

lightning, but in 5 minutes he is over it and asking: "What do you think about this?" We get along all right.

Just get this into your head: I am not questioning your ability, your patriotism, your zealotness, your intelligence, nor of your colleague from Florida; I do question this, we disagree and disagree violently on the authority of Congress to inquire of the executive departments of matters under their discretion under the Constitution. Now, there is all there is to it.

Mr. MOSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. MOSS. I turned to the RECORD of yesterday and in the place where I looked for enlightenment as a result of the gentleman's statement in the REA debate regarding the activities of this committee, the gentleman undertook to discuss the subcommittee yesterday—

Mr. HOFFMAN of Michigan. I know about that.

Mr. MOSS. I enjoyed the gentleman's statement so I looked back there this morning to refresh myself again with his wisdom, but instead of finding the remarks he made in the House yesterday about REA, where the gentleman put himself on record, I found:

Should congressional policy aid Russia to establish communism throughout the world—Russia's purpose.

Then the gentleman from Michigan goes on and says in substance that because I have urged that we clarify this ridiculous on-again off-again policy about secrecy—the reference to monkeys is a very inconsequential matter; the point at issue is that the same thing is done in every department and agency of the Government.

Mr. HOFFMAN of Michigan. Oh, no.

Mr. MOSS. Now, I am not thick, and I do not think I am overly sensitive, but the gentleman was not trying to compliment me; I am most certain of that.

Mr. HOFFMAN of Michigan. What I tried to say was that it was just tomfoolishness and silly and a waste of public moneys for us here year after year to appropriate billions of dollars in foreign aid, give them military aid, send over technicians, and then to turn around and go along with the demand which the gentleman I understand makes, that we tell them all our secrets. That is the burden of my statement and that is the thing I object to, that is the thing I do not agree with.

Mr. MOSS. Mr. Speaker, will the gentleman yield further?

Mr. HOFFMAN of Michigan. I yield.

Mr. MOSS. The gentleman has been very kind. I merely point out that your judgment or my judgment I am certain would lead to a more consistent policy than has been followed. Here we are starting back again with the Defense Department saying that they are using monkeys for research, and then an inquiry comes to them and the question is asked: "Are you using monkeys for research?" and the response from the Department is: "We cannot talk about that."

Mr. HOFFMAN of Michigan. All right; let us see what this all boils down

to. It all boils down to some agency having disseminated a lot of information about monkeys and then afterward saying they could not talk about them. This Mr. Dechert says, or Murray Snyder said they could see the monkey in the Zoo. Then the chairman pops up, chairman of this Committee on Government Information, pops up and asks: "What is this about monkeys? Why did you not tell us about the monkeys?" And it turned out they knew all about the monkeys anyway, but again Dechert says: "We are not going to tell you anything about monkeys."

Mr. MOSS. The chairman did not pop up, but a very respected newspaper being somewhat frustrated because it could not get information—

Mr. HOFFMAN of Michigan. Some reporter could not get all the information he wanted.

Mr. MOSS. I do not know. In connection with the Dayton Ohio Press, the question was asked, What is the story? Is this classified or is it not? We would like to know.

That is all I know about it. I asked Mr. Decker to let us know.

The SPEAKER. The time of the gentleman from Michigan has expired.

(By unanimous consent (at the request of Mr. HOFFMAN of Michigan) he was allowed to proceed for 5 additional minutes.)

Mr. HOFFMAN of Michigan. Mr. Speaker, now he is getting me off. They have reporters over there and information came up. They tell me they have three reporters on your committee?

Mr. MOSS. I have not any on my committee. I am not in the publishing business.

Mr. HOFFMAN of Michigan. You have two members of the press. Did they go up and get paid for speaking? The public has a right to know.

Mr. MOSS. If they did, I do not know. If the gentleman will help me I will find out.

Mr. HOFFMAN of Michigan. The gentleman's complaint, his quarrel, is with Dechert, General Counsel of the Defense Department, is it not? Sure. He does not like Dechert and Dechert does not like him. I do not know how I got into it except I do not believe that a congressional committee knows more about running the Defense Department than does the Defense Department. The gentleman has not any real complaint here because I have never questioned his ability or his intelligence.

Mr. MILLER of New York. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. MILLER of New York. Do I understand the situation to be that a responsible news agency made a complaint to the chairman of the committee concerning the action of an agency of this Government; then the chairman of the committee wrote a letter of inquiry to the agency giving them an opportunity to state their position and before the gentleman from Michigan knew about it or before the agency had an opportunity to respond or to state its defense, that letter of inquiry was in the newspaper?

Mr. HOFFMAN of Michigan. Let the gentleman answer. I do not know. I

do not know what the committee does. They do not tell me. I just go over and help them make up a quorum.

Mr. MOSS. The committee wrote a letter on the 30th of March asking the Department of Defense to state its position. We have always followed the practice of supplying to the person or to the Member of the House, or to the newspaper giving us the complaint a carbon copy of our initial letter of inquiry. The Daily News determined to publish that letter. That was their privilege as it is the privilege of any of your constituents or any other individual, corporate or otherwise, to publish any letter they receive.

Mr. MILLER of New York. Then it was printed in the newspaper before the letter was actually received by the Government department or agency?

Mr. MOSS. That is correct. Not before it was received, some 4 days after it was received.

Mr. MILLER of New York. But before any response was received by the chairman of the committee from the Department?

Mr. MOSS. It has been my experience that it takes anywhere from 4 to 5 weeks or 4 to 5 months to get a response from a department.

Mr. HOFFMAN of Michigan. If the gentleman is interested in how this came about, let me say that the whole business apparently grows out of some complaints by newspapers. The easiest way for newspapers to get and sell news is through a congressional committee. So we had a panel of I have forgotten how many publishers, eminent gentlemen, fine, patriotic citizens all over the country, but they are interested in news. Then after that this big book of questionnaires was sent to the departments. Some answered and some did not.

Now, we have two or three reporters on the committee and they have pals in the news service. Of course they peddle information back and forth—nothing secret, just a matter of good will. These boys want to make news, and I will say this for the chairman of the committee, he sure has got mile after mile of political prestige out of the hearings and it is a wonderful and fine thing. There is a contest between the Department of Defense, I might say, and the chairman of the committee as to who hits the press first. That is laudable, too.

If I were in that situation, I would do the same thing, but not as skillfully as the gentleman from California does.

Mr. MOSS. Mr. Speaker, will the gentleman yield further?

Mr. HOFFMAN of Michigan. I yield.

Mr. MOSS. I would like to make the observation that the gentleman just continue to hope that some day he will be chairman of the committee, if his party is in power, and then he can try to get the good press we have enjoyed. I am very proud of the excellent press the committee has had.

Mr. HOFFMAN of Michigan. Could you add a note in some of your releases saying a good word for me? Well, that is all I care to say on that. If the gentleman feels I have wronged him, hurt his feelings, you write me an apology, and if you do not make it too abusive for some

Republicans who might be running against you, I will probably sign it and put it in the RECORD.

The other day I spoke about Inez Robb putting something in the paper about our shortcomings. In referring to the reporters in the gallery, I used the word "sponge." I said they were sponging off the Government. And, in some way, over in my office, apparently, someone thought the word "sponging" did not sound so good, so I left it out. Then two or three reporters came around, two of them, and criticized me for leaving the word out of the RECORD. I would like to make everyone happy. So, they can reinsert the word again if they think it will do any good. Though it carries meaning to which I do not subscribe in this instance. I have no fault to find with the reporters; they are fine young men, especially when they say a good word for us. There was no intention of charging that they did any more chiseling than the average individual, and that is all there was to it. I just wanted them, in view of the usual biannual panining we were getting, to judge Congressmen by the same standard they would like used on themselves. The press the next morning, the Washington Post, which is largely back of this subcommittee on information all the time, tailing it up, printed a list of things that the members of the press did.

The UPI, in the Washington Post and Times Herald, described reporters' perquisites this way:

Congress provides newsmen covering its activities with work space, typewriters, copy paper, stationery, envelopes, and local telephone service. It also employs attendants to supervise the House and Senate press, radio, and periodical galleries.

Well, that is all right I do not care what they do. But, I want to please them. So, if they wish, they may put in the word "sponge." I cannot see anything particularly wrong about that. Now, if anybody else wants me to apologize, I will be glad to. Not having done anything for which an apology is needed one made will do no harm.

Mr. HOEVEN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. HOEVEN. I have listened attentively to the colloquy between the two gentlemen. It seems to me that we just have had a lot of monkey business.

Mr. HOFFMAN of Michigan. That or "much ado about nothing" or "a mountain out of a mole hill" or "heck to pay and no pitch hot."

JOHN FOSTER DULLES

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I was delighted to hear the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK], speak in such praise and admiration of our very wonderful Secretary of State, John Foster Dulles. Many times he and I have seen often eye to eye in national defense matters and foreign affairs matters, and I was so glad to hear him say that he had such admiration for our Secretary of State. It has been very interesting to watch and hear various Members of Congress, both in the House and the Senate, change from criticism of the policies of the Secretary of State to great praise of his policies and of the man. I have followed his career for a good many years and I have always had admiration for his integrity and his ability and, of his high moral courage and, of late years, I have had tremendous admiration for the man's extreme courage in spite of the great physical pain that he must have endured. I sympathize very much with our President, President Eisenhower, in not having him entirely as active as he has been for the past years. He has been his right arm and his closest adviser.

And my appreciation goes to Mrs. Dulles, his lovely wife. I have watched her helpfulness and graciousness all these many years, her tireless devotion to him in every thing that he has stood for, always upholding his hand.

Mr. Speaker, I do not believe there is a Member in the House today who does not think constantly of John Foster Dulles, out at the hospital, fighting to regain as much health as he can in order to continue to advise President Eisenhower and the country in our hour of trial.

I am extremely grateful that he and the President have kept our boys from fighting a hot war. The thousands of messages from all over the free world bespeak the gratitude and affection of troubled peoples everywhere. He has done much to prevent the spread of communism everywhere. Every Member of the House joins me in sending him a message of good will, I am sure.

JOHN FOSTER DULLES

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. BARRY] is recognized for 1 minute.

Mr. BARRY. Mr. Speaker, I do not want this day to pass without paying recognition to the greatest Secretary of State of our time, the Honorable John Foster Dulles, whom I knew not only as a statesman but as a friend and acquaintance for over 20 years.

I first knew Mr. Dulles as a devoted servant of the Brick Presbyterian Church in New York City, where he served as trustee for so many years. It was my great good fortune that our paths crossed again in the political arena at the 1948 Republican Convention and, in a later year, he gave me wise personal counsel at the time of the attempted re-creation of the bipartisan foreign policy which followed the death of Senator Arthur Vandenberg.

Mr. Dulles' greatest contribution to mankind has been his steadfast adherence to principles wherein he often stood almost alone, under combined and contrary pressures from within and without the Nation.

It is my belief that Secretary Dulles' inner strength came from devotion to God and love for his fellowman.

CIVIL DEFENSE ALERT, APRIL 17-18

Mr. GLENN. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HALLECK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HALLECK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following instructions from the director of Civil and Defense Mobilization, concerning participation of Federal agency personnel in the Washington area civil defense alert exercises scheduled for April 17 and 18:

EXECUTIVE OFFICE OF THE
PRESIDENT,
OFFICE OF CIVIL AND DEFENSE
MOBILIZATION,
Washington, D.C., April 14, 1959.

To: Heads of All Federal Departments and Agencies.

Subject: Participation of Federal Agency Personnel in the Washington Area Civil Defense Alert Exercise.

The public action phase of the April 17-18, 1959, civil defense alert exercise in the Washington area will occur on April 17.

It is essential to the success of this exercise that Federal agency personnel comply with the local civil defense instructions for response to the public action signals on April 17. Your agency representatives and building wardens have received instructions through the local civil defense staff.

The alert signal will be sounded at 11:30 a.m. The outdoor signal will be a continuous 5-minute sound on sirens.

Official instructions will be broadcast from 11:30 a.m. to 12 noon eastern standard time over the Conelrad AM stations on 640 and 1240 kilocycles.

On the alert signal, Federal employees in the Washington area should not evacuate buildings but should listen to the signal to become familiar with it and pay attention to Conelrad. (An effort should be made to have portable radios available for this purpose.)

The take cover signal will be sounded at 1:30 p.m. The outdoor signal will be a rising and falling sound on sirens for 3 minutes. On this signal Federal employees should proceed to their shelter areas as prescribed in the posted civil defense instructions and in compliance with the directions from their wardens.

With the exception of special arrangements for limited actions to test parts of local emergency plans, public buildings in the District of Columbia area will not be evacuated. The exercise on April 17, however, provides an opportunity for employees of Federal agencies in this area to become familiar with the public action signals and the Conelrad program so as to be prepared to react in an emergency.

I will greatly appreciate your cooperation in this matter.

LEO A. HOEGH.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HECHLER (at the request of Mr. ALBERT), for balance of the week, on account of official business.

Mr. STUBBLEFIELD (at the request of Mr. BURKE of Kentucky), for 10 days, on account of illness.

Mr. HOLLAND (at the request of Mr. McCORMACK), for Wednesday and Thursday, on account of the death of his brother-in-law.

Mr. MOELLER, for today, on account of official business in the District.

Mr. QUIGLEY (at the request of Mr. ALBERT), for Thursday, April 16, 1959, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. COAD, for 15 minutes, on Monday next.

Mr. JOHNSON of Colorado, for 60 minutes, on Monday next.

Mr. FOLEY, for 90 minutes, on Monday next.

Mr. HOFFMAN of Michigan, for 20 minutes, today.

Mrs. ROGERS of Massachusetts, for 5 minutes, today, and 10 minutes on Wednesday next.

Mr. BARRY, for 1 minute, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FINO and include extraneous matter.

Mr. DAGUE and include extraneous matter.

Mr. JENSEN and include a letter.

Mr. CURTIS of Missouri and include extraneous matter.

Mr. BALDWIN and include extraneous matter.

Mr. SAYLOR in two instances and to include extraneous matter.

(At the request of Mr. McCORMACK, and to include extraneous matter, the following:)

Mr. NATCHER.

Mr. MACDONALD.

Mr. O'HARA of Illinois.

Mr. GALLAGHER.

Mr. COFFIN.

(At the request of Mr. GLENN, and to include extraneous matter, the following:)

Mr. SCHWENGEL.

Mr. WALLHAUSER.

Mr. HARDY (at the request of Mr. Moss) and to include extraneous matter.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule, referred as follows:

S. 1455. An act to authorize the rental of cotton acreage allotments; to the Committee on Agriculture.

ENROLLED JOINT RESOLUTION SIGNED

Mr. BURLISON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 336. Joint Resolution making a supplemental appropriation for the Department of Labor for the fiscal year 1959, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 144. An act to modify Reorganization Plan No. 2 of 1939 and Reorganization Plan No. 2 of 1953; and

S. 1096. An act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction and equipment, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLISON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 3648. To regulate the handling of student funds in Indian schools operated by the Bureau of Indian Affairs, and for other purposes; and

H.R. 2575. To authorize the appropriation of \$500,000 to be spent for the purpose of the III Pan American Games to be held in Chicago, Ill.

H.J. Res. 336. Making a supplemental appropriation for the Department of Labor for the fiscal year 1959.

ADJOURNMENT

Mr. MOSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p.m.), under its previous order, the House adjourned until Monday, April 20, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

854. A letter from the Comptroller General of the United States, relative to a review of a number of Department of the Navy installations and the unnecessary costs pertaining thereto relating to civilian employees occupying ungraded positions; to the Committee on Post Office and Civil Service.

855. A letter from the Acting Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and other purposes"; to the Committee on Public Works.

856. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation entitled "A bill to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction and equipment, and for other purposes"; to the Committee on Science and Astronautics.

857. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend section 4051 of the Internal Revenue Code of 1954 by defining the term 'sold at retail' for purposes of the application of the retailers taxes imposed under chapter 31 of the code"; to the Committee on Ways and Means.

858. A letter from the executive vice president, National Safety Council, transmitting a report of the audit of the financial transactions of the National Safety Council for the year 1958, pursuant to Public Law 259, 83d Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. PFOST: Committee on Interior and Insular Affairs. H.R. 5488. A bill to revise the boundaries of Wright Brothers National Memorial, N.C., and for other purposes; without amendment (Rept. No. 274). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H.R. 6453. A bill to amend the Soil Bank Act so as to permit surrender and reallocation of acreage allotments; to the Committee on Agriculture.

By Mr. ALEXANDER:

H.R. 6454. A bill to exempt from taxation certain property of the American War Mothers, Inc.; to the Committee on the District of Columbia.

By Mr. BENTLEY:

H.R. 6455. A bill for the establishment of a Commission on the Economic Power of Unions; to the Committee on Education and Labor.

By Mr. BERRY:

H.R. 6456. A bill to amend the act of September 2, 1958 (72 Stat. 1773, Public Law 85-923), concerning payment of debts out of compensation for trust land on the Lower Brule Sioux Reservation taken by the United States; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK:

H.R. 6457. A bill to provide for the construction, alteration, and acquisition of public buildings of the Federal Government, and for other purposes; to the Committee on Public Works.

By Mr. BURDICK:

H.R. 6458. A bill to amend the Public Health Service Act to protect the public from unsanitary milk and milk products shipped in interstate commerce, without unduly burdening such commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. CHAMBERLAIN:

H.R. 6459. A bill to provide a minimum initial program of tax relief for small busi-

ness and for persons engaged in small business; to the Committee on Ways and Means.

By Mr. CURTIN:

H.R. 6460. A bill to provide that compensation of an individual for services performed while engaged in commerce, or as an officer or employee of the United States, shall be subject to State and local income taxes only in the State and political subdivision in which such individual is domiciled, and for other purposes; to the Committee on Ways and Means.

By Mr. DAVIS of Georgia:

H.R. 6461. A bill to extend the coverage of military service under the old-age, survivors, and disability insurance system to include inactive duty training; to the Committee on Ways and Means.

By Mr. DOLLINGER:

H.R. 6462. A bill to amend the Trading With the Enemy Act, as amended, so as to provide for certain payments for the relief and rehabilitation of needy victims of Nazi persecution, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ELLIOTT:

H.R. 6463. A bill to provide educational assistance for the children of service men and women who suffer death from a service-connected disability arising out of active military service during the period beginning on February 1, 1955, and ending on June 30, 1963; to the Committee on Veterans' Affairs.

H.R. 6464. A bill to provide readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963; to the Committee on Veterans' Affairs.

By Mr. FARBSTAIN:

H.R. 6465. A bill to authorize appropriations for the Federal-aid primary system of highways for the purpose of equitably reimbursing the States for certain free and toll roads on the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. FINO:

H.R. 6466. A bill to authorize appropriations for the Federal-aid primary system of highways for the purpose of equitably reimbursing the States for certain free and toll roads on the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. GUBSER:

H.R. 6467. A bill to amend title II of the U.S. Information and Educational Exchange Act of 1948, to provide transportation expenses for a representative to be sent annually from each American city cooperating in the sister city program of the people-to-people program to the city's affiliated city; to the Committee on Foreign Affairs.

By Mr. HARRIS:

H.R. 6468. A bill to amend section 1(14) (a) of the Interstate Commerce Act, to provide an incentive for construction and maintenance of an adequate national supply of freight cars; to the Committee on Interstate and Foreign Commerce.

H.R. 6469. A bill to amend section 1(15) of the Interstate Commerce Act, so as to aid in alleviating shortages of railroad freight cars during periods of emergency or threatened emergency, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 6470. A bill to amend part III of the Interstate Commerce Act to authorize the Interstate Commerce Commission to revoke, amend, or suspend water carrier certificates or permits under certain conditions; to the Committee on Interstate and Foreign Commerce.

H.R. 6471. A bill to amend sections 318 and 319 of the Communications Act of 1934 to facilitate the construction and operation of stations engaged solely in rebroadcasting

signals of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. HERLONG:

H.R. 6472. A bill relating to the deduction for income tax purposes of contributions to charitable organizations whose sole purpose is making distributions to other charitable organizations, contributions to which by individuals are deductible within the 30 percent limitation of adjusted gross income; to the Committee on Ways and Means.

By Mr. HOLTZMAN:

H.R. 6473. A bill to authorize appropriations for the Federal-aid primary system of highways for the purpose of equitably reimbursing the States for certain free and toll roads on the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. IRWIN:

H.R. 6474. A bill to liberalize the tariff laws for works of art and other exhibition material, and for other purposes; to the Committee on Ways and Means.

By Mr. LANE:

H.R. 6475. A bill to amend title 28, entitled "Judiciary and Judicial Procedure," of the United States Code to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment, and for other purposes; to the Committee on the Judiciary.

By Mr. METCALF:

H.R. 6476. A bill to authorize assumption by the various States of civil or criminal jurisdiction over cases arising on Indian reservations with the consent of the tribe involved; to permit gradual transfer of such jurisdiction to the States; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PORTER:

H.R. 6477. A bill to reduce the rate of percentage depletion for oil and gas wells from 27½ percent to 15 percent; to the Committee on Ways and Means.

H.R. 6478. A bill to reimpose the Excess Profits Tax Act of 1950 effective for taxable years ending after June 30, 1959, and beginning before July 1, 1961; to the Committee on Ways and Means.

By Mrs. ST. GEORGE:

H.R. 6479. A bill to provide for the conveyance of certain real property of the United States to the village of Highland Falls, N.Y.; to the Committee on Armed Services.

By Mr. TAYLOR:

H.R. 6480. A bill to authorize appropriations for the Federal-aid primary system of highways for the purpose of equitably reimbursing the States for certain free and toll roads on the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. THOMSON of Wyoming:

H.R. 6481. A bill to make permanent the provisions of the Sugar Act of 1948; to the Committee on Agriculture.

By Mr. UTT:

H.R. 6482. A bill relating to the credits against the unemployment tax in the case of merged corporations; to the Committee on Ways and Means.

By Mr. VAN ZANDT:

H.R. 6483. A bill to authorize the Secretary of the Navy to construct 100 nuclear-powered attack submarine vessels; to the Committee on Armed Services.

By Mr. ZELENKO:

H.R. 6484. A bill to authorize appropriations for the Federal-aid primary system of highways for the purpose of equitably reimbursing the States for certain free and toll roads on the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. FRELINGHUYSEN:

H.J. Res. 343. Joint resolution designating the 7-day period beginning on the third Monday in October of each year as Patriotic Education Week; to the Committee on the Judiciary.

By Mr. MCINTIRE:

H.J. Res. 344. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MAILLIARD (by request):

H.J. Res. 345. Joint resolution to authorize the Secretary of Commerce to sell certain war-built vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. RODINO:

H.J. Res. 346. Joint resolution providing for the establishment of the New Jersey Tercentenary Celebration Commission to formulate and implement plans to commemorate the 300th anniversary of the State of New Jersey, and for other purposes; to the Committee on the Judiciary.

By Mr. SIKES:

H. Con. Res. 112. Concurrent resolution establishing a Joint Congressional Committee on Cold War Strategy; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. FLYNN: Memorial of the Wisconsin Legislature urging the Congress of the United States to assure the designation of a delivery point on the Great Lakes for ships built for the Federal Government in order to provide equality of opportunity to bid for such contracts and further urged Congress to direct contracts for shipbuilding to Wisconsin shipbuilding yards which have a reputation for turning out fine, seaworthy vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. MCINTIRE: Memorial of the Senate and House of Representatives of the State of Maine memorializing Congress to equalize retirement benefits for retired members of the Armed Forces who retired prior to June 1, 1958; to the Committee on Armed Services.

By Mr. PRICE: Memorial of the 71st General Assembly, House of Representatives, State of Illinois requesting the Department of the Army to proceed with all possible expedition to appropriate funds to enable a survey for flood control and allied purposes, authorized on July 3, 1958, of the Calumet River Basin; to the Committee on Appropriations.

By the SPEAKER: Memorial of the Legislature of the State of Maine, memorializing the President and the Congress of the United States to equalize retirement benefits for retired members of the Armed Forces who retired prior to June 1, 1958; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H.R. 6485. A bill for the relief of Annibale Cuozzo; to the Committee on the Judiciary.

By Mr. BOYLE:

H.R. 6486. A bill for the relief of Osman Shadi Gunay; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 6487. A bill for the relief of Hans-Dieter Siemonelt; to the Committee on the Judiciary.

By Mr. HOLT (by request):

H.R. 6488. A bill for the relief of Maria Kahale de Sami; to the Committee on the Judiciary.

By Mr. KEARNS:

H.R. 6489. A bill for the relief of Aristides Evangelou Katsikes; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 6490. A bill for the relief of Colbert Colgate Held and Charles W. Shellhorn; to the Committee on the Judiciary.

By Mr. SAYLOR:

H.R. 6491. A bill for the relief of Soo Yung Rupert; to the Committee on the Judiciary.

By Mr. SPRINGER:

H.R. 6492. A bill for the relief of Zlata Duhovnik; to the Committee on the Judiciary.

By Mr. STEED:

H.R. 6493. A bill for the relief of Robert Dolton; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:

H.R. 6494. A bill for the relief of Momcilo Bjelanovic; to the Committee on the Judiciary.

H.R. 6495. A bill to admit the vessel *Martha Washington* to American registry and to permit its use in the coastwise trade while it is owned by the Cherry Grove Ferry Corp.; to the Committee on Merchant Marine and Fisheries.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

156. By Mrs. ST. GEORGE: Resolution of the Board of Supervisors of the County of Orange, N.Y., memorializing the Congress of the United States to further suspend the operation of the so-called Byrd amendment to the Federal road program; to the Committee on Public Works.

157. By the SPEAKER: Petition of Eugenio C. Nicolas, Manila, Philippines, relative to war damages payable to the Nicolas Estates; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

This We Owe to Our Country

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my answer to a letter recently received from Mr. Charles H. Percy, chairman, Republican committee on program and progress:

THIS WE OWE TO OUR COUNTRY

APRIL 9, 1959.

CHARLES H. PERCY,
Chairman, Republican Committee on Program and Progress, Washington, D.C.

DEAR MR. PERCY: I was pleased to have your letter of April 6. It states in part, "it is our belief that your own observations on the following questions would be invaluable to us in our efforts."

Your questions and my answers follow:

1. "What are the enduring principles by which Republicans must guide themselves now and in the future?"

Honest, efficient government. Oppose with all of our might, the wasteful spending of the people's tax dollar.

2. "What, in your opinion, are the chief dogmas we must discard?"

We have already discarded too many Republican dogmas. While those dogmas were operating, we built here the greatest Nation on earth. We must recapture many of those lost Republican dogmas.

3. "Trying to look ahead 10 or 15 years, what are the greatest problems you foresee for the United States and the Republican Party?"

Stay out of war, maintain a balanced budget, and prove to the so-called little fellow that he will suffer first and most from inflation caused by a constant unbalanced budget.

4. "In the same period, what are the greatest opportunities you foresee for the United States and the Republican Party?"

Broad publicity reaching into every home in America, reaffirming the Republican principles of the free private enterprise system for which we firmly stand; invite every loyal American to join hands with us, that they and their children may continue to enjoy the profits and blessings of liberty.

5. "Have you any other observations you think would be helpful to this committee in its attempt to state principles and objectives as well as analyze problems and opportunities?"

Yes, we should employ several of the very best editorial writers to be found. They should be scattered north, south, east, and west; they should take the offensive for our party. Publicize the virtues of individual

Republican candidates from the courthouse to the White House, and nail the radicals, labor racketeers, and leftwingers in the opposition party to the mast with no holds barred. Use effective salesmanship for our party first, and then fight the lying opposition with truth and might. This we owe to our country.

Respectfully submitted,

BEN F. JENSEN,
Representative in Congress for the
Seventh Iowa District.

A National Lottery

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. FINO. Mr. Speaker, I am happy to note that the people in the State of Oklahoma finally got smart by wiping out hypocrisy after 51 years of prohibition.

The Oklahomans voted to repeal not because they could not get liquor. The bootleggers were there to supply them

with all they could drink. The good citizens of that State decided that as long as people wanted to drink then the best thing to do would be to repeal the law, get rid of the bootleggers and legally tax this thriving industry.

Mr. Speaker, I hope this Congress will also get smart and realize that the urge to gamble is deeply ingrained in human beings and that by proper Government regulations, supervision, and control we can bring into the coffers of our Federal Treasury \$10 billion a year in additional revenue.

Mr. Speaker, the enactment of my national lottery bill would not only satisfy the American gambling spirit but would, in addition, wipe out a large segment of our professional gamblers, legally tap a lucrative industry and provide enough money for a badly needed tax cut and reduction of our national debt.

Statement by Hon. Cornelius E. Gallagher, of New Jersey, Before House Ways and Means Committee on Unemployment Compensation, April 15, 1959

**EXTENSION OF REMARKS
OF**

HON. CORNELIUS E. GALLAGHER
OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. GALLAGHER. Mr. Speaker, under leave, I would like to insert in the RECORD the testimony which I gave yesterday before the House Ways and Means Committee on unemployment compensation:

Mr. Chairman and members of the committee, I am grateful for the committee's kind invitation to appear here today and the opportunity afforded me to express my deep and growing concern over the serious inadequacies in the unemployment compensation programs administered by our States. I have equal concern for the failure of the Federal Government to bring about much needed improvements in this badly neglected area of our economy.

I am heartened by the studied approach the members of this committee have taken to this important problem and I am confident the fruit of its attention to unemployment compensation matters will be a vastly improved program benefiting the millions of American workers who are now, or who may be in the future listed in the unemployed column.

I suggest that the legislative vehicles that will most efficiently and most expeditiously bring about the improved program we are all seeking is H.R. 3563, a bill for which I am privileged to be a cosponsor.

Passage of this bill would not only place the Federal Government in its rightful position of leadership in the field of unemployment compensation by providing for a standardization of State programs and fiscal guarantees, but it would, in addition, eliminate the inadequate provisions of this State's programs.

Most important, passage of H.R. 3563 would bring an end to the Federal Government's

patchwork approach to the serious problems stemming from programs which pay the unemployed too little for too short a period.

As you may know, when the unemployment insurance programs were conceived in the depression years of the 1930's, 3 percent of payrolls was agreed upon as a proper rate to finance benefits. Since the very inception of the programs there has been a steady decline in the percent of payroll level to finance benefits.

The unemployment insurance programs were established with a view to paying an unemployed worker approximately 50 percent of his wage loss. In the early years, following the establishment of the program, there was near attainment of this goal.

Today, as this committee well knows, the percentage of loss of income made up by unemployment insurance payments is little over one-third of income lost through unemployment.

Among other shortcomings which H.R. 3563 seeks to overcome is the decline in the benefits received by the unemployed. It stipulates, as you know, benefits of not less than 50 percent of weekly income lost. This is the same goal established in the early thirties and here we are 20 years later still seeking it. I hope, and I am confident, that this time we will make it. However, this will be only if the standard is set by the Federal Government.

I hesitate to discuss provisions of the bill with which I know the members of the committee are thoroughly familiar. I do so only for emphasis in the record of points I consider to be pertinent.

It is most distressing that in this age of jet propulsion we have moved toward improvements in so vital an area of our national economy at a horse and buggy pace. In voting the extension of the Temporary Unemployment Compensation Act recently, we merely made another patchwork effort. The bill now being considered by this committee will bring an end to such crash measures as those the Congress has been compelled to enact in the past to keep our unemployed from near starvation.

We are seeking little more than the standards which were felt necessary when the unemployment compensation program was established more than 20 years ago. We are assuring a uniformity that will be fair to all of our States and work a hardship on none.

H.R. 3563 will take the tangle of State programs, with their great diversity of standards, rates levied, benefits paid, and the duration of payment, and apply a standardized program that will benefit the unemployed workers and give assurance of better protection to the worker who may someday find himself in the ranks of the unemployed.

This bill will go a long way in better equipping the Nation to combat another recession, for by providing sufficient and more realistic benefits there is stimulation of the economy through the maintenance of purchasing power at proper levels.

It is obvious to those familiar with the antiquated provisions of many State programs and the inadequacy of these programs that improvements are long past due. The changes advocated by this administration which would deny Federal leadership in this important field and leave the burden and initiative for improvement with the individual States, offer neither a solution to the problem nor the guidance and support for the States that are found in the bill presently before this committee.

There is, unfortunately, no evidence that unemployment particularly in the more distressed areas, will decline sharply enough in coming months to reach a normal level. Unless the Congress takes action to approve a standard and stabilized program of unemployment compensation, we may expect

to be called upon at the next session to apply another patch in the form of further extension of the Temporary Unemployment Compensation Act.

In the Newark, N.J., labor area, which encompasses my own congressional district in Hudson County, unemployment increased by 13,000 in a recent 2-month period and now stands at 8.9 percent of the total labor force. There is a 10-percent increase in unemployment over this same period last year.

These are figures that cause great concern. Ours, like so many others with which the committee is familiar, is a distressed labor market.

The committee is conscious of the interest of our State Governors in this problem. A number of these State executives have called on the Congress to set up minimum standards for all States such as are provided in the bill you are considering.

The distinguished chief executive of my State is one of those so concerned. He has come to Washington at the invitation of the committee to discuss this very important matter. I am privileged to present to you, Mr. Chairman, and the members of the committee, Gov. Robert B. Meyner, of New Jersey.

John Foster Dulles

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. DAGUE. Mr. Speaker, there is not an American today with concern for our relationships on the international scene who has not experienced a numbing shock as he hears the word that our top diplomat, and one of the greatest international figures of the generation, has been immobilized by a malignant disease.

The tears which our President could barely restrain fill the eyes of all of us who have been unwavering in our support of our great Secretary of State, and as he bows to the inevitability of his Maker's decree our sense of irreparable loss is well nigh overwhelming.

In every public address which I have delivered during the last 4 years I have underscored as heavily as I know how our dependence on this great and dedicated American. And I paid special tribute to his philosophy of "going to the brink" as the only practical summation of the principles of a sound foreign policy that have been enunciated since Theodore Roosevelt's admonition as regards "carrying a big stick."

John Foster Dulles—diplomat, statesman, churchman—a soldier battling in the cold war who has been stricken on the field of battle. Here is a compatriot whose place in the Hall of Heroes is assured and whose place in the hearts of his countrymen will be kept forever warm by an affectionate admiration. May Almighty God in His boundless mercy put His healing hand on our brother and ease his hurt. And may He give us strength to carry on in the spirit of this patriotic American.

**The U.S. Army Field Band of
Washington, D.C.**

EXTENSION OF REMARKS

OF

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. MACDONALD. Mr. Speaker, there are many facets to the conduct of our foreign relations, and by no means the least of these is the remarkable manner in which the serviceman overseas represents his country as a citizen-ambassador. Similarly, the commendable efforts abroad, as well as at home, of the superb musical organizations of the Armed Forces is worthy of comment. One such fine group is the United States Army Field Band, commanded and directed by Maj. Chester E. Whiting, who formerly presided over instrumental music in the public schools of Malden, Mass., and a man whom I am proud to call a friend. All the citizens of Malden, which comprises a part of my congressional district, are proud of Major Whiting. Major Whiting and his talented and disciplined bandmen have extended the friendly hand of American culture and tradition to eager multitudes throughout the world.

Considered by music critics to be one of the most proficient and distinctive musical organizations now appearing before the public, this band has traveled more than a million miles in recent years and is internationally famous as "The Kings of the Highway."

The Army's most-traveled band is composed of more than 100 of the finest musicians in the Army. Several are bandmasters themselves, and a number have played with leading symphonies. More than a dozen have been with the band since it was organized.

The Army Field Band was organized as the Army Ground Forces Band in March 1946, by Major Whiting, commanding officer and conductor since then. Capt. Robert L. Bierly, a native of Clearfield, Pa., has been executive officer and assistant conductor for almost as long. He is a graduate of Ithaca College, New York, and was director of music in Lynchburg, Va., at one time.

The Soldiers Chorus of approximately 30 bandmen-vocalists is featured on every program. Formed with a nucleus of six musicians in 1947, the chorus is now rated as one of the best male voice groups on the concert stage.

Specialist 7 Eugene W. Coughlin directs the Soldiers Chorus, and is also the band's principal baritone soloist. Before entering military service Coughlin performed with organizations in the Los Angeles, Hollywood and San Francisco Bay areas. He majored in music at Concordia College, Moorhead, Minn., and completed study at the Los Angeles Conservatory of Music.

Paul V. Henry, member of a family long prominent in music circles in New England, is narrator of the U.S. Army

Field Band, and is the possessor of a rich baritone voice, well known to millions of concert goers in all 48 States as well as Mexico, Canada, the United Kingdom, and Europe. A native of Malden, Mass., his musical career began as a violin prodigy.

The Army Field Band has criss-crossed the United States each year for the past decade. Concerts have been given in small communities as well as in major cities, bringing the world's great music to audiences in areas never before visited by famous bands. On tour more than 6 months each year, the soldier-bandsmen have appeared in all 48 States as well as in Canada and Mexico.

The band has also made three extensive overseas tours, sponsored by the Department of the Army and the State Department, where, official reports indicate, the Army bandsmen made an important contribution to President Eisenhower's people-to-people program to foster better international good will.

Praised by high Government officials as "America's musical ambassadors," the Army musicians went overseas for the first time in the late summer of 1952. Eight countries in Europe and the United Kingdom were on the itinerary. Major concerts in Great Britain were given at the opening of the Edinburgh music festival, in Royal Festival Hall in London and in Shakespeare Memorial Park at Stratford-on-Avon. In Europe the band performed in the concert hall in Amsterdam, the Luxembourg Gardens in Paris, and the Olympic Stadium in Berlin.

Spanish bull rings, French provincial market halls, Riviera seaside parks, and Scandinavian amphitheaters were crowded with audiences totaling an estimated 350,000 during the 12,000-mile good will tour of Europe in the spring and summer of 1957. Traversing the Continent from Oslo to Seville and from Lisbon to Belgrade, "The Kings of the Highway" played 43 concerts in 12 countries.

It was the first full-strength U.S. service band ever to appear in Yugoslavia, Portugal, Norway, Monaco, and Denmark, and the first to play in Spain since 1929. Highlights of the tour were an audience with Pope Pius XII, a concert at the royal palace for Prince Rainier and Princess Grace of Monaco, and a special performance for the officers and men of Tito's army in Belgrade.

During the spring of 1958, the U.S. Army Field Band made its first tour of Hawaii and the Far East, the first all-airborne trip since it was organized in 1946. The field band played a total of 45 concerts in 41 days.

The 7-week tour opened in Honolulu in May and ended there in mid-June, with 11 concerts presented in the Territory en route to and from the Orient.

During the 27-day tour of Japan, Korea, and Okinawa, the band played in 34 concerts before an estimated total audience of 150,000. In addition, it was reported that upward of 4 million viewed a concert televised nationwide by Station HNK, Tokyo. The next day, in Yokohama, the band received the first standing ovation ever given a visiting

musical organization, according to city officials. Following concerts at Camp Zama, the bandsmen were airlifted to Korea.

Nearly 50,000 were entertained by the band at two concerts in Seoul. President Syngman Rhee and Mrs. Rhee as well as Korean Government officials were guests. Performances were also given in Pusan, Inchon, Tongduchon, and Munsan, the last two for U.S. and U.N. troops.

Six concerts in 4 days were played in Okinawa, including performances at the Stillwell Field House and the University of Ryukyus.

Returning to Japan, concerts were presented in Fukuoka, Yawata, Hiroshima, Tokyo, and Nikko. The largest indoor concert crowd of the tour, more than 13,500, attended the Nikko concert and 12,000 had heard an indoor performance in Tokyo the previous day.

The band's repertoire ranges from classical arrangements to popular tunes and novelty numbers, including a drum act which has been praised by professional jugglers as well as musicians. Vocal and instrumental solos are part of all performances. Each program is opened and closed with military marches.

The Army Field Band normally travels in a 10-vehicle motor convoy made up of four large buses, four heavy trucks and two sedans, all painted infantry blue. All equipment needed for a concert is carried and the bandsmen can set up and be ready to play within 30 minutes after arrival at a site.

The Army dress uniforms are worn for all major concerts—blue for fall and winter performances and tropical worsted for spring and summer engagements. Music critics have commented on the crisp appearance of the musicians as "befitting the perfection of the performance."

The primary mission of the Army Field Band is to tour, as directed by the Secretary of the Army, and to present free public concerts as the representative band of the Army, both in the United States and abroad. In carrying out its assignment, Major Whiting estimates the band has entertained approximately 10 million persons, including radio and television audiences, in the past decade.

Major Whiting was assigned by the Army to form the band in 1945, and has been commanding officer and conductor continuously since then. Each member is a top-caliber musician, handpicked by Major Whiting personally.

As a result of the band's outstanding performance, he is recognized as one of the most distinguished conductors in the Armed Forces.

Major Whiting studied at the New England Conservatory of Music, in his home city of Boston, and for more than 35 years has been organizing and conducting Army bands.

In 1923 he was appointed a warrant officer bandmaster by the Governor of Massachusetts to organize and conduct the 110th Cavalry Band of the National Guard. The last mounted band in the Army, it was called into Federal service before this country entered World War

II. Redesignated the 180th Field Artillery Band, it was en route to the South Pacific theater when Pearl Harbor was attacked.

Under Major Whiting's leadership, the bandsmen served in the lines during the battle of Guadalcanal. He then reorganized units into the American Division Band, and took part in operations on other islands. The major served almost 3 years in the South Pacific, and was awarded the Legion of Merit and the Bronze Star Medal.

In the fall of 1944, the Army assigned him to organize and conduct the first combat infantry band. Composed of musicians, who were also combat infantrymen, it toured the Nation during war-bond drives and was known as "The Million Dollar Band." Musicians from this and other wartime bands formed the nucleus of the U.S. Army Ground Forces Band, organized by the major in 1946. This was redesignated the U.S. Army Field Band in 1950.

Major Whiting is well known as a versatile composer of both military march music and popular tunes. The excellence of his concert arrangements has won the band a featured spot at a number of national band clinics. In 1956, the band was awarded the Midwest National Band Clinic's bronze plaque for "music which has been an inspiration to soldier and civilian alike."

The conductor is a member of the American Bandmasters' Association and an honorary member of Phi Beta Mu, national music fraternity. He is the second conductor to be named an honorary lifetime leader of the Zembo Temple Shrine band of Washington, D.C. This distinction is shared with John Philip Sousa. The major is also the only U.S. Army Band director to appear as guest conductor of the famous Garde Republicaine Band of France.

Corrupting a Nation Through Newsstands and Mail

EXTENSION OF REMARKS OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. SAYLOR. Mr. Speaker, the problems of Congress and the executive department become more acute, more complex with each passing year. Today we are confronted with the growing Communist menace, a domestic economy afflicted with persistent unemployment, the conquest of space, radioactive fallout, and a host of other matters that can never be resolved without the assistance of a most sympathetic Providence. We must have God's help in attacking our Nation's difficulties, but we cannot expect it if we overlook considerations that should be as important to us as they are to Him.

One of our responsibilities is to make the laws needed to uphold the highest moral standards, and a vital step in that

direction was made last year with the enactment of legislation designed to curb distribution of obscene literature. Law-enforcement agencies, religious leaders, and social agencies have long ago established that indecent literature is a prime influence in the corruption of adolescent character; that it leads to bestiality, perversion, and narcotic addiction. Even in the absence of professional scrutiny and statistical analysis, however, social consequences of permitting lewd photographs and printed materials to be obtainable by juveniles are apparent enough to alarm the most apathetic citizen. Whether, in fact, objectionable items of this kind are distributed for an audience that is either young or old is disgusting enough to rouse every respectable man and woman to take action against the practice.

The bill which we passed to counteract distribution of obscene literature was recently commended by the Catholic Standard, published in the Archdiocese of Washington, which observed that the "New, tougher mail indecency law is working." The newspaper pointed out that a California man and his wife has each been sentenced to 10 years in prison in the first legal action under the law. The couple was charged with sending obscene material from points in California and Oregon to Idaho. Under the new law they were arrested in California on a warrant issued by the U.S. attorney at Boise, Idaho, who previously could have taken no action against the offenders.

This development is most encouraging, yet we obviously have a long way to go to clean up our mails and newsstands. The House has directed its committee to explore the situation as it now exists, and further legislation may be found necessary. The Department of Justice has advised parents and other responsible citizens to get in touch with either the local postmaster or the local FBI agents when suggestive material is found to be entering a locality. Unfortunately, there has been some reluctance on the part of individuals to report such activity, an attitude that has precluded prosecutions similar to the California-Idaho case.

It is my pleasure to report that Johnstown Post 90, Amvets, is intensifying a crusade aimed to cleanup reading material on local newsstands. These fighting Americans have no fear of any attempts at retaliation on the part of offenders, and they intend to make reading material safe for youngsters regardless of the tactics of the depraved newsstand operators who for personal gain are willing to corrupt their own neighbor's children. I would suggest that anyone who hesitates reporting a violation of the Federal law on obscene literature to the postmaster or to the FBI merely get in touch with Commander Tom Muldoon. You can be sure that you will get the action that is needed.

The Amvets are to be congratulated on this new patriotic activity. Their example, followed in other communities, can go a long way in wiping out one of the most vicious merchandizing abuses to which a nation can be exposed.

Bill To Exempt All Members of the Armed Forces From the Tax on Transportation of Persons

EXTENSION OF REMARKS OF

HON. JOHN F. BALDWIN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. BALDWIN. Mr. Speaker, yesterday I introduced in the House of Representatives H.R. 6411 which would exempt all members of the Armed Forces from the tax on transportation of persons. This bill will amend the Internal Revenue Code to remove the discrimination which now exists against the serviceman on furlough who desires to go home by air.

In its present form section 4263(e) of the Internal Revenue Code provides an exemption from the transportation tax for furlough travel by servicemen in uniform provided that the fare paid for such travel is not more than 2.5 cents per mile. This limitation denies servicemen the use of air travel, tax free, since airline fares are higher than 2.5 cents per mile.

There are approximately 1,600,000 servicemen stationed in the United States and the average serviceman is stationed approximately 860 miles from home. These servicemen made, during 1957, approximately 1,200,000 trips home on official leave, furlough or pass. Of this total only 450,000 of such trips were made by air. In view of the substantial distance that the average serviceman is from home, it is obvious that more servicemen would travel by air to their homes were it not for the fact that if they did so they would have to pay not only the higher fare charged by the airlines, but also the transportation tax as well. It is estimated that the average tax payment on furlough and pass travel amounts to about \$8 on the round trip. In view of the limited finances of servicemen this is a serious deterrent to their use of air travel.

Since military furloughs and official leaves are frequently of short duration, to require them to travel only by ground transportation, if they are to receive tax exemption, in many cases prevents them from spending their furloughs at home. This is certainly contrary to the public interest and an unwarranted discrimination against servicemen. Many of the men in military service are away from home for the first time. Certainly everything should be done to enable them to return to their homes and spend their furlough time with their families wherever possible. My bill would accomplish this result. It does not involve a substantial amount of revenue. On the basis of the data released by the Department of Defense and studies conducted by the Air Transport Association the total revenue loss which would result from deleting from section 4263(e) of the Internal Revenue Code the 2.5 cents per mile limitation would be approximately \$4 million.

Hon. John Foster Dulles

EXTENSION OF REMARKS
OF

HON. GEORGE M. WALLHAUSER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. WALLHAUSER. Mr. Speaker, the resignation of Secretary of State John Foster Dulles brings to an end the remarkable public career of a man dedicated to the service of his country, who, because of unusual ability and strength of character, has made an imprint on the pages of our history that will last for all time. His service in the administrations of both political parties is a clear indication of the esteem in which he was held by those in high positions. The citizens of our great Nation will forever be in his debt for his many and positive achievements in our behalf.

A Special Tribute to the Idlers and the
U.S. Army Band for Their Wonderful
Contribution to the Joint Session of
Congress, February 12, 1959, Com-
memorating the 150th Anniversary of
Abraham Lincoln's Birth

EXTENSION OF REMARKS
OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. SCHWENGEL. Mr. Speaker, since the joint session of Congress on February 12, to commemorate the 150th anniversary of Lincoln's birth, I have heard much praise for the quality of the musical portion of that program which did much to establish the proper mood for this historic occasion.

It is in order, therefore, under leave to extend my remarks, to better acquaint you with the artists who performed on that memorable occasion.

Most of us are familiar with the U.S. Army Band. Units of this outstanding organization appear regularly at functions of this type. Their contribution to the joint session was another one of their fine performances under Maj. Hugh Curry. The choice of selections: "Adoration," "Spirit of Independence," "Man of the Hour," and "All-American Soldier" was most appropriate. I commend them for this wonderful music.

Few of us, however, know much about the choral group, the Idlers, so I would like to make a few facts known about these young men.

The vocal portion of the joint session was presented under the supervision of Bandmaster Donald L. Janse, who led the choral program by the 21-member Idlers, as they are most familiarly known.

They are cadets at the Coast Guard Academy in New London, Conn. Their program, as you know, included a medley

of Civil War songs and a special rendition of the Gettysburg Address. Peter M. Thall of New London composed the selection of the Gettysburg Address as it was set to music. He was 11 years of age at the time he began the composition.

As performed, it was not pretentious music; however, the solemnity and character of the text had been respected from its musical conception. The setting began with a short canon, which simply stated in all voices, the opening phrase of "Taps." The rendition of other Civil War songs gave additional meaning to the entire ceremony. The Idlers have also appeared on radio and television shows and plans are being made for their renditions to be broadcast this year over Radio Free-Europe as a contribution to the Lincoln Sesquicentennial. Also, a musical program similar to that presented at the joint session was given on the occasion of the Lincoln Sesquicentennial Sabbath program at the Lincoln Museum—Old Ford's Theater—on Monday, February 15, 1959.

Kentucky's No. 1 City

EXTENSION OF REMARKS
OF

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. NATCHER. Mr. Speaker, for the third consecutive year Franklin, Ky., is the recipient of the annual Kentucky Chamber of Commerce award for civic improvement. Presentation of this award is contingent upon two factors: The winning city must have enhanced its desirability as a place in which to live as well as become more attractive to industry and business.

The friendly city is richly deserving of this honor. Its physical accomplishments during the past year include a new junior high school building, the opening of two industrial plants, Potter & Brumfield and Kendall Polyken, the development of five residential subdivisions, and numerous stores.

In addition, the residents of Simpson County have manifested their understanding of community spirit by exceeding the goal of the United Givers Fund by \$2,000 and by approving an alltime record budget for the schools.

The various civic clubs, elected officials, chamber of commerce, Franklin favorite, radio station WFKN, and the Franklin Industrial Board have been instrumental in bringing these accomplishments to pass. These organizations set their course 4 years ago, and they have not deviated from their original goal. And as in all great achievements, the women have proved themselves indispensable. In behalf of the Business and Professional Women's Club, Miss Rowena Sullivan, president, accepted the honor and accompanying check for \$1,000.

The primary motivation, the incentive which has inspired the residents of Franklin and Simpson County is not so

much the desire to improve the financial standing of the county as to enhance its cultural values and make Franklin a more interesting place in which to live. The retention of her young people, especially the well educated, had become a problem of the first magnitude. In the beginning, a small group of men undertook consideration of this dilemma, but reaction to this movement was favorable, and in short time the project was community property.

Franklin, in most respects, is not unlike many other small towns in Kentucky. But her people possess an invaluable and unmeasurable commodity. They have great pride in their community, and their ambition will not tolerate anything else than the very best for Simpson County.

Mr. Speaker, being recognized as the No. 1 city in Kentucky for 3 successive years is an admirable feat. I feel deeply privileged that I am able to represent Simpson County in the Congress of the United States, and I know that her residents will work to continue Franklin's unparalleled successes.

Planning for Tomorrow's Needs

EXTENSION OF REMARKS
OF

HON. PORTER HARDY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. HARDY. Mr. Speaker, on Saturday, April 11, the Woman's Democratic Club of Norfolk held its annual Jefferson-Jackson Day luncheon. The members and guests of the club were greatly honored by the presence of our charming and able colleague the gentlewoman from Missouri [Mrs. SULLIVAN], who addressed the meeting.

Mrs. SULLIVAN's remarks were not only appropriate to the occasion, but extremely timely, interesting, and thought provoking. I commend the reading of them to my colleagues:

SPEECH MADE BY THE HONORABLE LEONOR K. SULLIVAN AT THE JEFFERSON-JACKSON LUNCHEON GIVEN BY THE WOMEN'S DEMOCRATIC CLUB OF NORFOLK, VA., APRIL 11, 1959

I do not guarantee that the talk you are about to hear will be anything unusual or special, although, of course, I will try to make it interesting if I can—but I cannot guarantee it will be special. On the other hand, the circumstances of my speaking here are a bit special, and you might be interested to know what makes them so.

First of all, I make it a standing rule not to accept speaking invitations of this nature so far removed from my own home district in Missouri. It is not that I am opposed to speaking outside of my district—or outside the House of Representatives. I enjoy occasions of this kind, joining with fellow citizens from other sections of the country to celebrate our mutual admiration for the Democratic Party. But the invitations cascade down upon us in such volume that it is impossible to accept them all and thus the better part of wisdom is to attempt as gracefully as possible to regret them all. And, frankly, my working schedule is so

heavy that I almost have no choice in the matter.

In the 7 years I have been in the Congress I could probably count on one hand the number of such appearances I have made outside my district at other than Democratic national conventions or regional Democratic affairs, including Missouri.

As to this particular weekend, my being here is special in another way: I just returned to Washington a few days ago after 2 weeks in St. Louis. Naturally, I found my desk piled high with urgent problems—including things I could not have worked on while I was in St. Louis even if they had been mailed to me, and other things which I would have worked on in St. Louis except that they arose after it was too late for my office to get them to me by mail. In other words, even though the congressional recess was by no means a vacation—far from it—I returned to Washington to find as many pending problems there for me as if I had been on vacation. You all know what a vacation does to your work schedule—it ruins it. And in my case I'm having all of the headaches of coming back from a vacation without having had the vacation.

Much of that mass of stuff which was smirking up at me from my heaped-up desk is still there and what I have cleared out and taken care of in these last 3 days has more than been replaced by new crises and problems and assignments and urgent pleas of one kind or another. I represent a problem district, you see. Everyone seems to have problems, and most of them seem to think I have a magic wand to solve them all.

All of this is to say that under normal circumstances I would not normally consider coming down to Norfolk, and under the abnormal circumstances of the moment, with such a deskload of postrecess headaches facing me in Washington, I could not possibly consider coming here.

There are two explanations for the special circumstances of my being here, then. One is the high regard in which all of us in the House of Representatives hold our outstanding Congressman, PORTER HARDY—he is one of the most highly respected and effective Members of the House—and one of the most persuasive, too. And when he made a particular point of urging me to attend your Jefferson-Jackson luncheon, I found it extremely difficult to insist it was impossible for me to come. That was reason No. 1.

The other reason involves an even more illustrious Virginian—yes, even more illustrious than PORTER HARDY. I refer to your Thomas Jefferson, whom you join in honoring today along with the man I think of as the Harry Truman of the 1820's, Andy Jackson. I am sure Andy would be pleased if he were alive today to be likened to Harry Truman of my own State of Missouri in attitude and outlook and fierce devotion to the public good, and I know I couldn't say anything more flattering to Mr. Truman than to tell him I had compared him to his own idol of democracy, Jackson.

But Thomas Jefferson is particularly meaningful to us in St. Louis because, frankly, we owe our existence as Americans to him. Your ancestors here in the East fought for your freedom and they had a lot of help from ancestors of present-day midwesterners fighting alongside them. But, unless Jefferson had shown the kind of imagination and boldness we want and expect in our Chief Executives, there is no telling what flag would be flying today over St. Louis, and the whole vast area west of the Mississippi River.

In our most valuable downtown area bordering the Mississippi in what will be our most spectacular river vista—we in St. Louis, with the cooperation of the National Park Service, are building a dramatic memorial to Thomas Jefferson and to the territorial expansion of the United States accomplished through his Louisiana Purchase. This spec-

tacular river park, overlooking the Father of Waters, near the point where Lewis and Clark began their heroic trek through the wilderness vastness, will be one of the truly impressive scenes of our Nation's many breathtaking views when present plans for the Jefferson National Expansion Memorial are completed in 1964, on the 150th anniversary of United States acquisition of the land. Dominating the park will be a huge stainless-steel arch designed by the world-famous architect Saarinen, symbolizing the role of my city as the entrance way to the west, an arc matching in concept the splendor of an America stretching majestically from sea to sea.

We are understandably proud of this joint Federal-local parks program in St. Louis; we are proud to dedicate it to the memory of one of our greatest of all Americans, your fellow Virginian, Thomas Jefferson. For we, too, also revere him. And I feel that in coming to Norfolk to participate in a good Democratic celebration of Jefferson's 216th birthday 2 days early—I think I'm right in my arithmetic that it's 216 years as of next Sunday when Jefferson was born—in any event, in coming into Virginia to talk Democratic politics to Democratic women I feel I am making an appropriate pilgrimage for a St. Louisan.

These, then, are some of the reasons why I have set aside my usual practice and have accepted your warm invitation to come here today. And, now that I am here, I am glad the circumstances were special enough to get me here. For I am enjoying my visit tremendously.

The reference I made a few moments ago to Jefferson's action in acquiring for the United States the vast territories west of the Mississippi is as good a point of reference as any to contrast the difference between political philosophies as represented by our two great political parties.

I understand that here in this area of Virginia the Republican Party is not unknown—although I am sure it is quite ineffective—but at least you do see an occasional Republican and you do have to contend with Republican arguments and Republican propaganda in your campaigns. Therefore, I know you will agree out of personal experience in politics that there are differences—and major ones—between the parties.

Undoubtedly, Jefferson's courage in committing the infant American Republic to an expenditure of such magnitude as \$15 million—in a day when a million meant far, far more than billions mean today—was one of the great political decisions of our entire history. I can think of one or two Republican Presidents who might, in similar circumstances, have made a similar decision—but no Republican President that we have known in our time, certainly. How long can a great political party continue to go along without, at least once in 50 years, coming forward with a single political leader to match the political skill and courage of a Teddy Roosevelt? And poor Teddy, as you recall, finally had to give up on the Republican Party himself and start his own third party nearly a half-century ago. Since his day as Chief Executive, the Republicans have elected a number of Presidents—but not a single one of them has made a single dramatic decision of such far-reaching significance to America's future and the world's advancement as almost every Democratic President, at some time in his administration, has made at least once.

Going back—not to ancient history, but to the recent past—we have the examples on the one hand of a Truman galvanizing a disorganized and fearful world into a solid stand against Communist expansion which saved first, Greece and Turkey, and then all of free Europe, and served notice that freedom would not be bargained away or sur-

rendered. No political project in all history has been of more significance than the Truman doctrine and the Marshall plan—the latter conceived by your illustrious Virginia soldier-statesman and put into effect by a courageous President from my State.

Think of the Roosevelt years—of the great decisions—bold, dramatic, incomparable in imagination and in effectiveness. Tomorrow it will be 14 years since Franklin Delano Roosevelt laid down his life for his country and for freedom. As long as any of us shall live who remember that day and that era, we will mourn for and revere him—and feel fortunate in our hearts that we had the privilege to be Americans at a time when his inspiring leadership restored our faith in our country, in our economic system, and, most important, in ourselves.

Woodrow Wilson's widow still lives and thus reminds us—in her occasional participation in Washington in ceremonial or social events—of the Democratic Party's saint-like political philosopher of 1913–20, also a Virginian, who breathed new life into Jeffersonian concepts and who dreamed the dream and saw the vision which today guides free nations everywhere in the pursuit of a secure world in which free peoples can live with their conscience and, yet, with each other.

On the other hand, we have had some Republican Presidents, too, in that period since Teddy Roosevelt left office in 1909. We had a Taft, a Harding, a Coolidge, a Hoover, and now Mr. Eisenhower. Except for the sorry choice out of the smoke-filled room of the Republican Convention of 1920, when Harding was selected, these men have all been regarded as conscientious Presidents, if perhaps inept in the demanding role of the Presidency, that is in the role of leading a dynamic Nation to new greatness.

As Republicans, these men regarded themselves as Presidents in the classic Republican mold of conservatives. And that's all right. But they—including Mr. Eisenhower, practiced their conservatism in the role of conservators—that is, to try to hold tight not only to that of the past which is good but to the status quo, to change nothing, to cling to the past no matter how moth eaten, to trod no new paths or pioneer no new concepts in government.

There are times when the American people think they need that kind of President as a sort of breathing spell from dynamic, dramatic, imaginative government. And of course 1952 and 1956 reflected the yearning for calm, for complacency, after the stress and noisy clashing of the political battles of 20 years and the horror of war.

Consequently, for 6 years we have had a don't rock the boat, don't do anything new, don't worry, don't experiment kind of National Government, and we have stagnated. The American people have now had enough of it—and have repeatedly said so—the most dramatic reiteration coming last November in that simply incredible Democratic sweep. And next year, well, the die is cast.

I have mentioned the Louisiana Purchase several times. Let me ask this—and I believe it is a fair question. Can you imagine our present Republican President and his present and former stand-pat advisers having the decision Jefferson made? I can just imagine the discussion which would have gone on in an Eisenhower Cabinet of 1803.

Mr. Benson would have said that we already had all the farmland we needed on this side of the Mississippi, much of it wild and uninhabited. Who could possibly eat the food grown in the new territories? Mr. HUMPHREY would have said it cost too much to buy the millions of acres of land and would cause inflation which would curl everybody's hair. Mrs. Hobby would have said that the whole idea was just socialism—and who could possibly foresee the use of any such vast territories as the Louisiana

Purchase? We remember her as the lady who could not foresee the almost hysterical demand for Salk vaccine—although now that we have all of it we need, there are still mothers in this country who expose healthy little children to a crippling future by neglect in getting their children inoculated. This is criminal negligence, and a public whipping would hardly be overly severe punishment for any mother who neglects this important duty of protecting her children against polio.

But I digress—I didn't mean to go off on that tangent. But the original fiasco of vaccine distribution under Mrs. Hobby, plus the criminal negligence of those mothers who do not today take advantage of the present availability of the vaccine make me boil in indignation each time I think of it—and nothing reminds me of it so much as mention of the name of our first Secretary of Health, Education, and Welfare. A woman in politics should bring to political life the warmth and humanity which are the greatest contribution to political thinking and governmental affairs that women can make.

In any event, to go back to 1803, I think you will agree with me that if the Eisenhower administration had been in office at the time and had been faced with the decision which confronted Thomas Jefferson, there would have been no Louisiana Purchase. This thought might cause you to lose little sleep, but to us in St. Louis, believe me, the idea is quite intolerable.

Seriously, though, the analogy is politically important, I believe. Under Republican administrations, as we have known them in our lifetimes, our country has been led always on a policy of drift—avoiding hard decisions—floating on a tide of circumstances which seem inevitably to have resulted in economic hardship verging 30 years ago on national bankruptcy. Even today, with so many enthusiastic statistics pouring out of the White House and Commerce Department on production, profits of big corporations, declining unemployment, and so on, the fact remains that we are still deep in an unemployment recession, and the outlook for millions of Americans—particularly for middle-aged workers and for those approaching retirement age—is so grim as to be alarming.

Yet Mr. Eisenhower announces he is very happy over a slightly more than seasonal decline in unemployment, while more than 4 million remain on the unemployment list. And we are told that by October, the number of unemployed might even be down to around 3 million. That is put forward as a statistic to cheer. Actually, it is one to fear.

For we are now turning out everything people want and can afford to buy. We are producing in abundance. Which member of the Eisenhower administration was it who commented during the 1954 recession that freedom is also the right not to have a job—you know, take the bad with the good, keep a stiff-upper-lip and so on. This is Republican dogma, as long as it affects somebody else.

No Democratic administration worthy of the political party label would stand by as complacently and idly as this one is doing in the face of a serious national crisis in employment and in purchasing power.

This Congress, believe me, is not going to accept such supercilious complacency from an administration charged with governing for the good of all Americans.

Congress, under our system, cannot administer national affairs. We cannot name any of the Cabinet officials or administrators; we cannot force the President to do much of anything if he refuses to see the need or act on it. We can provide the tools, we can provide the funds. We can point to the need. We can alert the public to the danger. We can even hobble the administration to keep it from doing terribly wrong things—if we

hear about them soon enough. But we cannot as a Congress force affirmative action.

But as a people, we can—all of us insisting on action and making our voices heard. And that must be the role of every forward-looking American—particularly all of us who regard ourselves as Democrats—more particularly all of us who pride ourselves on being Democratic women.

Be a Patricia Henry—and demand that our leaders meet our problems head on. Old Patrick called for liberty; you, his descendants, must call for leadership from a weary and unimaginative national administration.

Mr. Eisenhower could easily find good administrators who can do the job if he wants it done. We have plenty of experienced Democrats who served magnificently in the Roosevelt and Truman administrations who could, with Ike's backing, get our economy off dead center—get Norfolk booming again—and St. Louis—and restore America's greatness and promise.

Mr. Eisenhower has only a little over a year-and-a-half to get things back into shape—or at least to get a good start on restoring real prosperity and confidence to the American economy—before the job will no longer be his.

After that, the problem will be ours. Whether it is handled by an Adlai Stevenson, or a Hubert Humphrey, or a Jack Kennedy, or a Pat Brown, or a Missourian I think a whole lot of, named Stuart Symington—or whoever our nominee is next year—I think I can assure you good Democrats of this fact:

The problems he faces will be met forthrightly and courageously—whatever they are. They will be tackled as a challenge to devise effective solutions, not to merely avoid rocking the boat.

The boat has been rocking—violently at times—in these past 6 years, largely because of the reluctance of the helmsman and the rest of the crew to head into the deep waves and plough through them.

What might have been mere swells on our economic sea have done us irreparable harm year after year because our national administration tried more to avoid them than to overcome them.

Let us look our national problems straight in the eye, whatever they are, size them up, analyze them, and overcome them. Only in that direction lies the progress we seek for our country, and for the free world.

Our party has always—since the days Thomas Jefferson conceived of it and gave it meaning—our party has always stood upright and unafraid against any challenge to America's progress. Our leaders have neither panicked in the face of nor hidden from, challenge. It's true that we do a lot of fighting among ourselves, we Democrats, and for what we often consider good cause. But when it comes to facing unafraid the challenge of tomorrow, we unite and close ranks and move ahead full speed into the thickets of the political fray.

Progress can come to America only in proportion to the willingness of our national leaders to stick their necks out for principle. Jefferson was maligned, abused, despised by the standpatrollers of his day. Jackson's name was anathema to the same group. Roosevelt was "That man in the White House"—a term spoken with venom and hate. Truman was ridiculed, as no national figure in our time has ever been depreciated and laughed at.

Our next president—whichever Democrat he may be—probably faces similar abuse such as was heaped on the men I have mentioned. That is because he will—whoever he is—if he is a true Democrat, insist on planning for tomorrow's needs rather than yesterday's.

Supported by people like you—by Democrats who want our country to continue to grow and not stagnate—the next president, whichever Democrat he may be out of our

abundance of outstanding candidates—will have the opportunity to be a great president.

For that's the only kind we Democrats are used to.

Maine Will Be Host to First International Medical Conference on Mental Retardation

EXTENSION OF REMARKS
OF

HON. FRANK M. COFFIN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. COFFIN. Mr. Speaker, I would like to call the attention of the House to a conference of worldwide importance to be held at Portland, Maine, from July 27 through July 31, 1959. The First International Medical Conference on Mental Retardation will take place during those 5 days and I take deep pride in the fact that leaders in the field of medicine and welfare in the State of Maine have initiated, organized and sponsored this significant meeting which is the first of its kind. I believe it is worthy of the widest possible attention.

Although I have no expert knowledge in this field, I am informed that within the last few years various important conclusions have been reached through research and informal observations of retarded children. The primary objective of the conference is to focus attention on problems that can be attacked scientifically. The participants will be eminent physicians from various parts of the United States, Canada, and Europe. The sponsoring committee, recognizing that the challenge surmounts international differences, is attempting also through proper channels to extend invitations to physicians beyond the Iron Curtain.

Those who are interested in this forthcoming conference may request information from the conference secretary, division of maternal and child health, Statehouse, Augusta, Maine. It is being organized by the Maine chapter of the American Academy of Pediatrics, Pineland Hospital and Training Center, Pownal, Maine; the division of maternal and child health, State department of health and welfare, and the Maine Medical Association.

Peter W. Bowman, M.D., Pownal, Maine is serving as general chairman of the conference. Edmund N. Ervin, M.D., Waterville, is chairman of the liaison committee. He is assisted by C. E. Benda, M.D., Arlington, Mass.; George Stevenson, M.D., New York, N.Y.; J. Rees, M.D., London, England; P. Plum, M.D., Copenhagen, Denmark; G. Frontali, M.D., Rome, Italy; Richard Maseland, M.D., Bethesda, Md. Ella Langer, M.D., Augusta, Maine, is chairman of arrangements and finance.

The program committee, of which Hans V. Mautner, M.D., Pownal, Maine is chairman, comprises Malcolm J. Farrell, M.D., Boston, Mass.; Howard V. Bair, M.D., Parsons, Kans., and Ella Langer, M.D., Augusta, Maine.

The Republic at the Crossroads

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. CURTIS of Missouri. Mr. Speaker, on April 2, 1959, Representative BRUCE ALGER, of Texas, made a speech in Webster Groves, Mo., "The Republic at the Crossroads." I wish to call his remarks to the attention of my colleagues and they are as follows:

THE REPUBLIC AT THE CROSSROADS

Those present are joined by many not present as I nostalgically review the past which this occasion prompts. This is a wonderful reunion, after 22 years, 10 months, which for me were chronologically: College 4 years; business 1½ years; military service 4½ years; business (including my own) 9 years; and Congress 4 years, a full and varied experience.

Here, in Webster, I learned my lessons. Here I acquired the foundation for the later experiences. I had wonderful youthful years, thanks to the people, schools, and environment, right here. Oddly, as I grow older this becomes more obvious and meaningful to me.

The thanks I would extend to those here, and those not here, will be through whatever effort I can put forth to justify their training, friendship, and help. Sort of in the father-son spirit, "Make the world a little better because you were there." Humbly, but with firm resolve to say thanks, exemplified perhaps by remembering Lincoln, "That we here highly resolve that these dead shall not have died in vain; that this Nation shall have a new birth of freedom; that government of, by, and for the people shall not perish from this earth." I didn't think so much of that in Webster High or in war when I sent a combat buddy's gear home to his family. But I thought of it later, and I do now as a public servant, a Federal Representative, as we tonight reunite for a few moments as old friends—but now, not as youths, but as responsible adults with problems and a government on our hands—our hands. It's our government to preserve for those who follow, and in memory of those who went before.

I'm here because of your Congressman TOM CURTIS, not just to permit myself the pleasure of a wonderful reunion. This is not the gratuitous expression so often heard publicly or the flowery protestations on the floor of the House, as a prelude to destructive attack. For me, this is a token of respect for a hard worker, and I think of the Curtis subcommittee's work on the problem of life insurance taxation, which became a factual textbook underlying the study and hearings for this year's tax bill—a pity more didn't study this document. I predict these views, with Tom's additions this year in the minority views, in which we both joined, will be remembered in the future, becoming increasingly influential. Tom's effectiveness can be measured in committee and floorwork by a few simple examples. The reciprocal trade bill of last year in committee and floorwork shows his guiding hand as he reconciled the conflicting views of both parties and the objections of the protectionists. I say this from a most critical viewpoint myself, as a dissenter to parts of the program. More recently, Tom suggested the airport compromise that joined the existing allotment formula and the lower spending figure—in which Democrats and Republicans then joined. In committee such adjustments are often made through Tom's efforts

as in the Mills-Curtis formula for last year's insurance taxation. And I commend Tom for courage—as his championing the facts in the Goldfine issue last year. As many popularly joined the attack like howling wolves, Tom stuck to the facts, reminding the House that regardless of respective sides in the argument, we were violating our own House rules created to prevent character assassination.

Tom's work time and again in the Joint Economic Committee is a guiding force, as in the current study of the 1959 President's Economic Report. It's a pity that the somewhat technical nature of the study of inflation, price stability and maximum employment lacks the glamour and public attention which its importance warrants. You would all enjoy the debate between Tom and several Members on Monday, March 9 (CONGRESSIONAL RECORD). So you see, my visit is actually not a friendship matter, as such, but a matter of respect for and teamwork with a legislator who has courage, ability, and a dedication to principles, which my remarks tonight will, I hope, further explain.

As a small businessman who knew little of the ins and outs of politics, and as a Republican in an overwhelmingly Democrat area, I ran for public office 5 years ago and made but one political promise—that I would measure each piece of legislation by two yardsticks: (1) Is it a function of the Federal Government? (2) Can we afford it?

I promised I'd vote on each proposal according to whether or not it passed those tests, and letting the political chips fall where they might.

Having tried conscientiously to hew to that line for 4 years, a course described by some as political suicide, I was immensely proud when the people of Dallas County, in the biggest off-year turnout on record, roundly endorsed that attitude toward government by returning me for the third time as their Representative in Washington. But did I win the election?

What wins a given election? No one can ever be entirely sure. The time, effort, and money of many dedicated citizens, political amateurs, many of whom were previously unknown to me, won this particular election.

This much I know, and there is no need to kid ourselves about it. Dallas Countians, like others in the South, for the most part regard themselves as Democrats. But conservatives of both parties effectively united to stand behind an unabashedly conservative record in Congress, and they didn't balk at my own avowed Republicanism.

The Republic is at the crossroad. Whether it is to remain the traditional constitutional Republic in a democracy or become a centralized inflated supergovernment, antithetical to the beliefs of our Founding Fathers, which beliefs we have not countermanded, not really, nor do we intend to, I am convinced.

A democracy is government of, by, and for people. The people participate. A republic is representative government, wherein the people are represented by others of their choosing. A representative, then, represents all the people, but is elected by a majority of the voters. Here's one problem—it is not a majority of the people, over half don't participate.

A second problem implicit in our form of government is the assumption of an "informed electorate," that is, that the voters know the issues and problems confronting the Nation and its Government. To the degree they don't, the Government, as in the case of people not voting, is weakened. Using his judgment, the Representative, then, votes, representing his constituents, as he feels the majority of his constituents would, if in his shoes, facing the particular circumstances and facts. That simply is our form of government and the two problems.

We are at the crossroads because a majority don't vote, and those who vote (as well as the others) don't study the issues and aren't informed. The crossroads point which way we'll go—preserve constitutional government or embrace socialism or another ism.

It is now a question of preserving our Nation and its institutions. This is done through political parties. The parties must have sound principles or fail in this task.

It is to that job we must dedicate our principal effort. For, if we fail in it, there will not be much need to worry about elections. And, if we succeed—by awakening the American people to a recognition of their peril—victory at the polls will follow.

We must bring to our task more than just an urge to take power. A political party enters this fray ill-equipped unless it is armed with basic principles—unchanging beliefs so precious they cannot be sacrificed for any political victory. Without such principles, a political party is nothing more than a gathering of office seekers and their friends. Without principles, a political party, in the words of our President, is only a conspiracy to gain power.

I believe the Republican Party, of the two, is the only possible party now to accomplish this objective, as you will see. To me, this assertion isn't blind party loyalty either, by a long shot, but critical appraisal.

It is true that any party representing a broad cross section of the American people will encounter differences of opinion as to details and method. That is true of our party. In fact, I suggest that we Republicans have permitted these differences to become so magnified in our own minds and the public mind that the principles which unite us have been forgotten or ignored. As a result there has been all too much talk about hyphenated Republicans—liberal-Republicans, conservative-Republicans, modern-Republicans. It is time—if we are to face the challenges that confront us—that we start thinking, talking, and acting as Republicans—period.

Let us heed the words of Lincoln when he said: "I'm afraid of the result upon organized action where great results are in view—if any of us allow ourselves to seek out minor or separate points in which there may be differences of views as to policy and right, and let them keep us from uniting in action upon a great principle in a cause on which we all agree."

Let us remember that our strength can stem only from the basic principles which unite us.

These principles are so deep and instinctive that we have unfortunately too often felt it either unnecessary or too difficult to put them into words. But they must be put into words; they must be enunciated over and over again. Our beliefs and principles must be articulated so clearly and forcefully that there can be no doubt as to where we Republicans stand and why.

Let me presume here tonight to make a modest beginning at putting into words what we so deeply and firmly feel.

We believe, we Republicans, that no generation can live solely for itself but rather that it has the heaviest of obligations to preserve the Nation and its institutions, strengthened and improved, for those who follow. We know that our heritage was won only by the sacrifice of those who preceded us. We have the high moral duty to sacrifice, if need be, to preserve and protect it.

We know, as we face the problems inherent in preserving our society, that the right way is not always the easy way, but that we have no choice except to take the hard way if it is, in truth, the right way. We recognize that we will find ourselves frequently bucking the popular tide, for we know, just as surely as the Democrats, that there is little political appeal in self-denial. If we accept the re-

sponsibility of leadership, however, and that is one of the functions of a political party, we must serve as stern guardians of the national common sense.

We accept, as part of the responsibility of leadership, the duty of making clear to the people that the easy way, if it is wrong, leads only to the misery of retraced steps or the finality of disaster. Championing what we believe to be right may at times lose us political battles; but we are supremely confident it is the only way to a clear conscience and ultimate victory.

We believe in a government of laws which have as a principal aim the prevention of the seizure of dominant power by any man, or group of men.

We believe that the political and economic strength of a nation depend upon the genius of its people and that genius cannot flourish wrapped round with the chains of an all-powerful state or an all-powerful minority.

We believe that liberty is man's most precious possession and that it includes the freedom to have an incentive to produce. This has led to our faith in the soundness of an economic system based upon man's universal urge to better his lot. We believe that success, if it is to be the incentive for all, cannot be mocked and scorned and discouraged in an appeal to the envy of others.

We believe in a limited government as the best means of preserving individual freedom and initiative, but this does not bind us to the legitimate needs of our citizens or the challenges which confront our Nation.

We insist, however, that the needs the Federal Government is called upon to meet be real needs which cannot be met by individual initiative or by the unit of government closest to the people, and particularly, that they are not needs manufactured by those looking for special advantage or power.

We believe that the challenges to our Nation's survival can best be met, not through ill-considered actions based on fear or emotion, but by a nation which itself is guided by basic principles, proceeding confidently because it is physically strong, morally right, and carefully prepared.

It is because of these beliefs, these principles, that the Republican Party is called upon by its own conscience to move vigorously to the task of preserving our Nation against the present-day threats to its survival.

In my book there are today three great threats facing us as a people and as a Nation:

The threat of communism.

The threat of inflation.

The threat of new monopolies.

Each must be met head on. Each must be fought relentlessly if what we call the American way of life is to survive.

The first threat is the most dramatic and the most apparent. It stems from the rapid rise of Soviet military and economic power. We have seen the Soviet Union ruthlessly trample on the rights of its people and other nations in its drive to rule the world. By concentrating on the means to produce military power, it has rapidly industrialized its economy and achieved far-reaching scientific advances, a combination which has made it a real threat to world security. We may deplore their methods, but we ignore, at our own peril, the presence of vast military and economic power in the hands of a small group of men imbued with a fanatic belief in the inevitability of communism's world conquest.

The reaction of the Democrats to the more dramatic evidences of Russian military power has been characteristic. Conditioned from habit, their immediate response has been that we outspend the Russians and achieve victory through sheer weight of the American dollar. Democrat spending bills followed quickly in the orbit of the first Rus-

sian satellite and every new announcement from the Kremlin quickens their flow.

It would indeed be wonderful if all we had to do to preserve our Nation against the Russian military threat was to turn on a spending spigot. It is not that easy, and the political party which tells the American people that it is, is gambling recklessly with the future of our Nation. If, as a nation, we rely solely on scattering our national wealth to the winds in order to quiet every fear, we can lose this fight before we start.

We cannot meet the Russian military challenge by siphoning off and diluting our available resources, both of brains and materials. Yet, the numerous critics of our defense policies insist, when you put all their charges together, that we engage in just such a scatterbrained effort. The net effect of following the advice of a Symington, Johnson, Anderson, Jackson, or any other Senator or Representative who wants more money for a specific defense need, would be weakness through dissipation of our strength. It would be a defense based not on the best estimates of our National Security Council, the entire intelligence resources of the Nation, and the expert advice of our Joint Chiefs of Staff and our President, but on the worst fears of our most frightened politicians.

What it will take to beat the Russians at this gruesome game is a government and people ready, of course, to sacrifice whatever is needed for our overall superiority, but determined at the same time to proceed only on the basis of sound estimates, rational thinking, and carefully conceived plans which look not just to today but also to tomorrow. This is the hard road, and only a party of principle has the courage to stand up to the fearmongers and tell the American people it is the road we should follow.

It is clear, too, that only a party of principle can furnish the kind of leadership which stands fast against those Democrats who would sacrifice our world position in the face of the potent power of the Soviet Union. When it is all boiled down, the constant carping over the inflexibility of Mr. Dulles, the demands for a new approach to the Soviet Union, and the laments for the lack of viability in our foreign policy are nothing more than a frightened unwillingness to face up to the fact that you can't appease the Russian without losing your shirt in the process. We are confident the American people won't soon again be led down the so-called easy road of appeasement.

The second threat to our security as a nation is the insidious menace of inflation. Our response to inflation is not only significant in its own right but it cannot be divorced from the challenge of the Soviet Union.

No greater test of the principles of the Republican Party can be provided than in the fight against inflation. It cannot be successfully undertaken unless we are willing, as a nation, to think more of the future than of ourselves and to take the hard but right way so that our Nation and its institutions can be preserved.

As we move positively against the threat of inflation, we Republicans are accused of being preoccupied with balanced budgets, of being negative when we oppose unessential spending programs, and of having a narrow bookkeeping attitude toward the problems of our Nation.

I say to you: There can be no more positive programs, for our party or any party, than to try to save this Nation from the disaster which will take place if inflation, through habitual spending beyond our income, becomes the national way of life.

As we oppose programs which individually have vote appeal but which taken together lead swiftly and surely to national bankruptcy, we lay ourselves open, of course, to the demagog's cry. But what we seek is

more important than any single spending program. Unless we can maintain the stability of our currency, we will not have the strength to support any governmental program, no matter how desirable—be it for defense, for scientific advance, or for human welfare. Bound up in the fight for a balanced budget is the question of whether our economy will have the strength and stability to maintain us in the battle for survival.

Let it be remembered that we have been living beyond our income in 23 of the last 28 years. The credit of the U.S. Government is at the breaking point.

It is not just the national budget that is involved in the Democrat spending programs. The personal budget of each and every individual and family is involved. An unbalanced national budget means unbalanced family budgets; it means loss of credit, of earnings and savings, insurance, pensions, and annuities. When unbalanced national budgets and inflation become our national way of life, they all go down the drain together.

There is also a moral issue.

The time has come to end the completely immoral practice of passing on to our children the debts we incur for our own immediate benefit. We could at least have respect for the morality of the spenders if they would suggest that this generation pay, through higher taxes, for the cost of the programs they so glibly propose. They lack the courage for that, and in many cases, like the Senators from my State, they not only beguile the people with vast spending programs but promise simultaneous tax reductions. Let us call a spade a spade. Mortgaging our children's future is basically immoral.

There is the question of equity.

The first obligation of government is to treat its citizens equally. There is no equity when a government spends to provide special benefits for some of its citizens, because they are politically powerful, at the expense of all other citizens. But, the inequity is tragically multiplied when a government must borrow and inflate its currency to do so. For inflation does not strike all citizens an even blow; it hits hardest at the weak, the unorganized, at those who lack the means to protect themselves from its subtle and devastating robbery, the widow living on insurance, the aged living on pensions. No government which pretends to serve all the people can retain their confidence if it promotes wholesale inequity by choosing the easy road of unbalanced budgets.

There is the issue of survival.

I have spoken of the military challenge of Soviet Russia and the kind of response we must make to it. Will we have the sheer physical strength for that challenge—no matter how many missiles are on the launching pads—if our underlying base of a sound fiscal structure and a strong economy are rotted away by inflation?

The answer, of course, is "No," but the Soviet challenge is more than military; it is a total challenge on the military, political, economic, and moral fronts. Can the United States meet that total threat with its currency debased, its credit gone, its economy in turmoil, its citizens divided and its morality compromised, if we adopt inflation as a way of life? Of course not.

Politically, can we hold ourselves up to the nations of the world as a shining alternative to communism if we are unable to keep our own house in order, if we display a fatal political weakness in our form of government by casting aside principle for the fatal charms of expediency? How can we be an example to the world if we cannot in times such as these even meet our current needs out of current income?

Can we meet the Communist economic offensive if through inflation we price our

goods out of the world market and if the American dollar becomes a currency to be shunned rather than desired?

And morally, where does this Nation stand as opposed to immoral communism if it succumbs to the immorality of inflation?

Let no man tell you that those who fight against the unbalanced budgets which cause inflation are preoccupied with the mechanics of bookkeeping. We are preoccupied, but our preoccupation consists of the most urgent and positive program this Nation can undertake—the prevention of a national disaster. It is our job as Republicans, as a party of principle, to awaken the Nation to this clear and present danger.

The President has presented the Nation with a balanced plan for security and public welfare. He has presented a plan balanced as to income and expenditures. It is a truly Republican program. It is our job as Republicans to exert every effort to make this plan a reality.

I mentioned earlier that one of the basic principles of the Republican Party is the belief in a government of laws which have as a principal aim the prevention of the seizure of dominant power by any man or group of men. Because of this principle, the Republican Party is called upon to meet the threat of the new monopolies, powerful labor organizations under the domination of a handful of men.

Under Republican leadership, this Nation met the challenge of the seizure of dominant power by a few industrialists and financiers a generation ago. It curbed the power of the trusts when in the public interest it enacted antimonopoly legislation under Republican leadership.

Today similar power rests in the hands of men who dictate the policies of our national labor unions. It consists of vast economic power, the power to cripple an industry or a nation. It is economic power which has reached out so successfully for political power that it has taken over, for all practical purposes, the Democratic Party and now controls the Congress of the United States. It is a combination of economic and political power which threatens the national interest because it is a power which places its own interest above the interest of all citizens.

Curbing the power of the new monopolies will be infinitely more difficult than dealing with the old industrial and financial monopolies, for the new monopolists have wrapped themselves in the cloak of the so-called common man. They have been careful to inculcate the doctrine that their monopoly interest is identical with the interest, not only of union members, but all working men and women. No attempt can be made to curb the power of the new monopolies without incurring their charge that it is a move against the public interest.

But the public—the consuming public—does not benefit from the exercise of naked monopolistic power to raise wages, and hence prices, beyond the level justified by increased productivity—nor from the extortions of a Hoffa made possible by the power his monopoly gives him.

The public—the union worker public—does not benefit when its dues are stolen, or frittered away, or spent for propaganda or political activity against its wishes.

The public—the taxpaying public—does not benefit when the political power of the new monopolies is used to extract special benefits from a pilant Congress or legislature.

The public—the small-business public—does not benefit when its choice, confronted with the overwhelming power of a giant union, is to accede to its demands or go out of business.

The public—the farm public—does not benefit when the new monopolies drive up farm costs far beyond the ability to increase farm prices.

Nor can the public—all of us as free citizens—benefit when dominant political and economic power rests in the hands of a few men, no matter how much they claim to have our best interests at heart.

Let there be no mistake about it. The evils which have arisen because of the emergence of the new monopolies are the result of the power they hold in their hands. We cannot eliminate the evils until we restore the balance of power and to do so, we must curb the powers of the new monopolies even as we protect the very legitimate rights of working men to organize for their own protection and own welfare.

As a party of principle, we cannot dodge this issue. The Democrats must avoid it at the peril of their extinction as a political force. They are incapable of going beyond what the new monopolies will permit, and this consists only of wiping the smudges off from the faces of those union leaders who have gotten dirtiest in their greed for power. It's up to us to take the lead in a sustained effort to curb this threat to the stability of our Nation. It will in the end earn us the gratitude of the vast majority of the American people who, even now, sense the danger involved in letting unbridled monopoly power run loose in our land.

In these great tasks, then, in meeting the Communist threat, in fighting inflation, in curbing the new monopolies, we Republicans have a job to do. At stake is the future of our Nation and the security and happiness of our people.

There is only one way we can go about this task and that is to devote our every resource to it. We cannot succeed, in the face of an overwhelming Democrat majority in the Congress, unless we arouse the American people to the dangers which confront them and unless we imbue them with a belief in the principles we uphold. We must, through them, make it politically impossible, for any party or group, to lead this Nation down the easy road to its downfall.

We need to make our party an effective political organization. We need to enlist in our ranks the millions who believe, as we do, in the principles we uphold. We need the devotion, discipline and dollars without which a party cannot function. We need to tell our story, clearly, unhesitatingly, forcefully so there is no man in this land who does not know our party's principles, program, and goals. We need, in short, to get down to work.

And as we set upon this noble task of saving a nation, should the path look dim, the goal remote and the obstacles insurmountable, we can do no better than take courage from the faith that: "Right makes might, and in that faith let us to the end dare to do our duty as we understand it."

Mandatory Control Program on Residual Oil Imports

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. SAYLOR. Mr. Speaker, from Down East have recently come some exceedingly vehement denunciations of the White House order creating a mandatory control program on residual oil imports. I think it is about time that our friends in New England pursue a more objective and consistent course in our old international trade program. In the first place, it is difficult to understand how a

region of the United States that has already experienced very critical fuel shortages because of the unreliability of sea traffic in periods of hostility would object to any program designed to guarantee availability of supplies under similar conditions. The President's proclamation issued on March 10 was prompted because oil imports have so enervated domestic fuel industries as to seriously weaken the mobilization base. The President is aware that a fuel which must be transported over ocean lanes infested with enemy submarines could not be depended upon to run a war machine.

Assuming that those New Englanders protesting the White House order, have forgotten events of not too many years back, I should like to place in the RECORD a number of headlines that appeared in our newspapers during the early part of World War II when tankers coming from ports on the Gulf of Mexico were being intercepted both in the gulf and along the Atlantic seaboard. Here are but a few that I have taken from my files: "U-Boat Torpedoes Tanker Off Jersey"; "Tanker Sunk Off Our Atlantic Coast"; "Florida Crowd Sees U-Boat Sink Ship Off Shore"; "Two Tankers Torpedoed—One Off Jersey Witnessed by Thousands in Resort Towns"; "Allied Tanker Seen in Sinking Condition Off Long Island."

There is the story of what can happen on the high seas in wartime. I might also recall for your benefit that at one time an enemy underwater action was responsible for sinking a tanker within a short distance of New Orleans. In addition, at one time three tankers went down in the immediate vicinity of Dutch West Indies, which happens to be the principal source of the residual oil that moves into our east coast markets at the present time.

Now, how was New England affected by the inability to move oil over the water? As late as the spring of 1943, the fuel shortage impaired normal activity up and down coastal areas from Maine to New York. Earlier, the Petroleum Administrator in Washington warned New England to prepare for the worse. This headline from the New York Times explains the situation: "Ickes Says Worse Situation Is Coming and Asks Conversion to Using Coal." The wisdom of this prediction is confirmed in these 1943 headlines: "Hospital Is Ordered Closed by City To Save on Fuel Oil"; "Stillwater Worst Mill Closed by Oil Shortage"; "Eight Rhode Island Textile Plants Forced To Close Today"; "Exodus of Labor Threatens Mills in Fuel Oil Crises"; "Fuel Oil Shortage Here To Close 95 Parochial Schools"; "Oil Shortage Forces Two War Plants To Close."

If further evidence is desired, I am sure that the Library of Congress will be happy to make available complete copies of the newspapers carrying these accounts of horror off the Atlantic coast and the subsequent difficulties in fuel-hungry New England.

The almost total destruction of tanker traffic in the early part of the war was effectuated by a nation whose sea forces included 150 submarines. Today, the Russians have a fleet of some 450 underwater craft. No power in world history

has ever had so large a submarine force. Two-thirds of Russia's submarines are long-range ocean patrol types developed after World War II with the aid of German naval designers.

Adm. James S. Russell, Vice Chief of Naval Operations, in speaking before the Military-Industrial Conference in Chicago recently, included this paragraph in his report on Red naval power:

Quantitatively we may expect the Soviet submarine fleet to remain at about its present level; qualitatively, however, the threat to the free world will continue to grow as the older and smaller submarines are phased out of service and the number of new long-range types increases. These long-range submarines pose a threat not only to our vital traffic across the seas, but to our industrial centers as well, for the Soviets have the capability for arming these submarines with missiles and it must be assumed that some are already equipped.

With this knowledge, Mr. Speaker, can anyone here take issue with the President for his action based on the likelihood that foreign oil would be available in wartime? He knows the vital importance of vigorous domestic coal and oil industries. It was his responsibility as Commander in Chief of the Armed Forces to proclaim the oil import order in behalf of America's mobilization program. I am hopeful that there will be no more contesting a decision made in the interests of national safety.

I also remind my colleagues from New England that there is no justifiable reason for your anticipatory fuel problems. These illusions were created even before the mandatory control plan went into operation. The amount of residual oil to be admitted under Presidential order is the same as was imported in 1957, at that time the highest quantity in history and almost equal to the 1958 figure. Thus the deluge may continue its deplorable economic impact on producing regions of the United States, and I assure you that I shall strive for legislation for a further cutback to a place where imports are in line with the tariff and quota protection afforded industries in other areas. Meanwhile, no one should anticipate any scarcity of fuel supplies under the decree. A considerable number of the east coast plants now on residual oil are equipped to convert to coal, which is available in adequate quantities at reasonable prices. Bituminous coal prices at the mine have remained steady for the past decade, and studies by outstanding industrial economists disclose no tendency toward a sharp upward movement over the long term.

I am, of course, conscious of the fact that residual oil has been available to east coast customers at prices slightly below what they would have to pay for coal. The importing companies have captured coal's traditional markets because they are able to adjust prices without any threat to the corporate structure. The profits from the sale of gasoline and the lighter oils are usually adequate to absorb the production and refining costs, so that residual oil is left over to be sold at whatever price will capture the market.

With all of this foreign residual oil—the more than a billion and a quarter

barrels of it—that entered the United States in the past 10 years, what have the people of our country gained? What benefit has accrued to the populace of any single State or region? Residual oil cannot be used for heating homes, and you would not be driving any more if you tried putting it into the engine of your car. The big plants and generating stations are principal customers of this fuel. Their use of a foreign commodity in preference to a product of America's mines is certainly not inconsistent with the philosophy expressed by their representatives in Congress. Time after time members of the New England delegation have vociferously denounced trade policies that permit imports to impinge upon business conditions in leather goods, textiles, fish, lumber, bicycles, watches, and products of other New England industries.

This factor should be kept in mind when residual oil imports are under consideration. If our coal miners back in Pennsylvania are deprived of a means of livelihood because of a foreign invasion on their markets, where do we get the purchasing power for the goods that New England manufactures and sells? In my estimation it is about time that Members of Congress from the many areas suffering economically from unfair import competition collaborate on our identical problems. I can assure you that I have always concurred in recommendations to adjust international trade policies in such a way as to safeguard industries in New England, the South, and in other regions. I am convinced that we can get together if we consider the matter on a nationwide scale. Each year a growing number of communities is added to the list of industrial centers paralyzed or severely injured through inequitable import competition. The automobile manufacturers, who formerly led the free trade brigade into Washington when the Reciprocal Trade Agreements Act came up for extension, have been noticeably silent in recent times. There is a definite fear that, unless someone puts the brakes on foreign cars entering this country, the big American jobs are going to get run off the road and unemployment around Detroit will be even worse than has been the case during the past year. Even the big office machine manufacturers, who once were proudly in the president's chair of a leading free trade committee, are beginning to wince when they walk into the Pentagon and see the large number of Olivettis and other foreign-produced typewriters and calculators.

The Presidential order restricting residual oil imports is designed to protect the Nation in emergency periods. It is certainly one executive department order to which no one in this country should object, yet restrictions on oil need to be bolstered considerably, and chances are that any help that we Representatives of fuel-producing districts can get will redound to the benefit of the rest of the country. With unemployment persisting on a high scale, I do not think we can afford to pass up the chance to get our people back to work.

Congressman Boggs Scores Hit in Chicago With Talk on H.R. 5

EXTENSION OF REMARKS OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 16, 1959

Mr. O'HARA of Illinois. Mr. Speaker, I am extending my remarks to include a remarkable address by the Honorable HALE BOGGS, our distinguished colleague from Louisiana, at the 22d Chicago World Trade Conference. Congressman Boggs spoke on the subject of "How To Encourage American Investment Abroad" with especial reference to H.R. 5. From the many letters I am receiving from Chicago I would conclude that few speakers have ever impressed a Chicago audience as did the gentleman from Louisiana on that occasion. The following letter is from Walker B. Davis, counsel of the Chicago Bridge & Iron Co.:

The Chicago Bridge & Iron Co. designs, fabricates, and erects large steel plate structures, such as tanks used for the storage of petroleum products at refineries and bulk stations, as well as tanks and other containers for many other industries. We have done a great deal of work in foreign countries. Sometimes we have furnished the fabricated steel, while in other cases we have erected fabricated steel supplied from outside the United States. We are anxious to continue our foreign operations, and also to expand them, but the tax burden imposed by the Government of the United States on the results of such operations puts us at a competitive disadvantage as compared with foreign contractors. Indeed, these considerations may force us to transfer the conduct of such operations to a subsidiary organized in another country.

I have had the pleasure of meeting Mr. Boggs and listening to him speak on this subject. I think he knows a great deal about it and, of course, I need not tell you what a fine gentleman he is. Perhaps you will be interested in the enclosed copy of the address he delivered at the 22d Chicago World Trade Conference on February 27. I think it is as good a statement as I have seen of the reasons why this bill should, as I believe, be enacted into law.

Congressman Boggs' address follows: HOW TO ENCOURAGE AMERICAN INVESTMENT ABROAD

(Address by Hon. HALE BOGGS, U.S. Congressman from Louisiana, member, Committee on Ways and Means, at the 22d Chicago World Trade Conference, Palmer House, Chicago, February 26-27, 1959; sponsors: Chicago Association of Commerce and Industry and Export Managers Club of Chicago, Inc.)

I was delighted to receive the invitation to address this the 22d Chicago World Trade Conference. I am always glad for an opportunity to come to Chicago. Chicago typifies in so many ways the dynamic industrial, commercial, financial and political leadership which has made America great. I find here so much in common with my own home city of New Orleans. We, too, have problems of slum clearance, rehabilitation of blighted areas, and long-range planning for civic improvements and industrial development. And now Chicago, like New Orleans, is to be a major seaport and center of world trade. As you know, New Orleans is second only to New York in the dollar volume of world trade clearing through its port facilities.

The leadership of the Illinois Congressional Delegation under my esteemed colleague and dear friend on the Committee on Ways and Means, Hon. THOMAS J. O'BRIEN, is so persuasive that I have supported him on most matters in which you are interested—particularly in his valiant fight for increased diversion of water from Lake Michigan.

The spirit of friendly competition which may now develop between the new and expanded port facilities in the Chicago area, and other established centers of world commerce in the United States will be beneficial to all. As reflecting this spirit of friendly competition from New Orleans, I should like to remind you that the Port of New Orleans has maintained in Chicago for several years now an executive general agent, Mr. André Mouton, who holds membership both in the Chicago Association of Commerce and Industry and in the Export Managers Club of Chicago, Inc., the two sponsoring organizations of this World Trade Conference. These two great centers of world commerce, united as they are via the Mississippi River, can provide a firm foundation for the great volume of world trade which I am convinced holds the key to the longer range hopes for peace.

It is difficult to overstate the importance of an expanding volume of world trade to the long range security of the United States and the free world. To me, peace, freedom and world trade are indivisible. World peace hinges on world trade—not a permanent program of foreign aid. And trade can be mutually advantageous over a prolonged period only if all countries have the facilities to produce whatever the combination of their natural resources, the natural capacity of their people, and their available capital will permit.

I am convinced that the people of the United States have about had their fill of what appears to be an endless program of Government economic aid to foreign countries. I find in my travels throughout the world that the really responsible people in recipient countries question the soundness of an aid program on any permanent basis. As a temporary program to insure rapid revival of the economies of Western Europe following World War II, I firmly believe that the Marshall plan may have preserved from Communist unrest a most important part of free world culture.

But it should be apparent to all that something more dynamic and less artificial must now be employed to develop the economic resources of all countries outside the Communist orbit. The last Congress recognized the significance of further expansion of trade by extending the reciprocal trade agreement legislation for another 4 years. It is most encouraging that this program, conceived and inspired by one of the greatest Secretaries of State of all time, Hon. Cordell Hull, has now become truly bipartisan.

President Eisenhower has frequently stated that increased private investment is essential to the economic progress of less developed countries. In his recent budget message the President said:

"The greater share of investment capital and technical ability in the United States and other highly developed countries is to be found in private hands."

Thus far, however, the President in his series of messages to the Congress has failed to recommend any legislation in this area other than expansion of the program of guarantees to American private investors against losses caused by inconvertibility of currencies, expropriation, or war. Unfortunately, the administration still is in the study stage of possibilities for stimulating private investment abroad. As stated in the budget message:

"Studies are being conducted by the Department of State and the Business Advisory Council of the Department of Commerce on

ways to increase the role of private investment, management, and technical training abroad."

It has fallen upon the Congress to assume the initiative in this as in many other areas which are vital to the American economy and the peace of the world. I say with some pride, we have a program equal to the task. Last December my Subcommittee on Foreign Trade Policy held a full week of hearings on the future prospects for U.S. private investment abroad. At that time statements were made by more than 50 representatives of agriculture, commerce and industry, and experts from government and academic life.

Most frequently mentioned in the testimony before our subcommittee was the recommendation for changes in the Federal tax structure to enable American private investment to go abroad on a basis competitive with investors from other countries. A number of specific recommendations were made for changes in the treatment of income from foreign sources. From these recommendations I selected those which seemed to have the greatest merit and common support. I have adapted these recommendations to conform with my own views, of course, and included them in a bill which I introduced on the opening day of the 86th Congress. This bill, the Foreign Investment Incentive Tax Act of 1959, will, I believe, encourage a substantial increase in American investment abroad.

The cornerstone of H.R. 5 is the provision for a new class of domestic corporation to conduct the foreign operations of American firms. Known as foreign business corporations, these companies would be permitted to retain the earnings derived from foreign operations for use in the expansion of foreign investment and trade activities without any immediate payment of U.S. tax. They would pay U.S. tax on foreign source income only when it is withdrawn from foreign operation, either by a distribution to shareholders or upon diversion to purposes unrelated to foreign operations. Income from foreign sources will qualify for deferral only if the foreign business corporation derives substantially all of its income from business done outside the United States.

In recent years, in order to compete with British, Canadian, French, or German businessmen, American businessmen have been compelled to seek tax shelter havens in Tangier, Lichtenstein or Panama, et al. Consequently, the proposed deferral of Federal tax burden upon earnings reinvested abroad will result in no significant loss of United States revenue; in fact, one of the witnesses before our committee predicted that, absent a change in Federal tax law during the next 5 years and assuming the world stays prosperous, he has no doubt that there would, at the end of this 5-year period, be little export income on which the United States will collect taxes. I firmly believe that United States businessmen should not be compelled to abandon the American flag when they go abroad: they should not be compelled to organize and operate under foreign flags but, instead, should be encouraged to go abroad and take with them their country's flag—and along with it the great combination of ingenuity, skill and daring that has made our free enterprise system the most dynamic economic system in the world.

You are all familiar with the tax treatment provided since 1942 for Western Hemisphere trade corporations. These corporations have been taxable at a rate 14 percentage points lower than the tax rates applicable to other corporations. These benefits are limited to a corporation which does all of its business in the Western Hemisphere. Section 4 of my bill would extend the same benefits to United States companies doing business in any foreign country if specified conditions as to kind and source of income are met. These qualifications are substan-

tially the same as those now prescribed for Western Hemisphere trade corporations except for an increase from 5 percent to 10 percent in the leeway allowed for incidental income from sources within the United States. Experience has shown that the present 5 percent limitation is too restrictive.

I understand there was some surprise when I included this section in my bill. I have been told that the budgetary facts of life will not permit even the temporary loss of revenue. I am certainly in favor of a balanced budget and shall do all in my power to curtail unnecessary Government expenditures. But I say to you that our chance for a balanced budget will be greater, if we provide encouragement for American business to assume directly more of the risk of economic development in the countries in the free world. Indeed, there is very likely to be a greater tax yield from a 38 percent rate of return on the increased volume of foreign activities of American business than from a 52 percent rate on the more restricted activities under existing law.

The reason for enactment of the Western Hemisphere trade corporation provision in 1942 was that American corporations in South America were placed at a considerable competitive disadvantage with corporations from other countries. Since the same competitive inequity now exists throughout the free world, it is only fair that all U.S. corporations engaged in foreign trade should be treated alike. It is high time that we discard the provincialism which gave rise to this artificial distinction between East and West.

The 14 percentage point tax differential is justified by the same considerations whether the foreign operations be conducted in Pakistan or in Peru—in Burma or in Brazil—in the East Indies or in the West Indies.

One of the most perplexing problems encountered by American corporations which have engaged in foreign trade through subsidiaries organized in a foreign country has been that of shifting capital from a subsidiary in one foreign country to another subsidiary in another country, where the capital can be more effectively utilized. Under existing law it is not possible to make such transfers without recognition of gain or loss unless prior clearance is obtained from the Commissioner of Internal Revenue. Likewise, if the U.S. corporation finds it necessary to transfer appreciated assets to a foreign subsidiary, a taxable gain is recognized unless prior to the transfer the Commissioner looks into the transaction and senses no potential of tax savings.

I understand that some favorable rulings have been issued in some situations, but only after much delay—accompanied with considerable pain and suffering—and frequently on a very arbitrary basis. Section 3 of H.R. 5 would relieve this situation by providing that no advance ruling shall be necessary for property actually used in a trade or business outside the United States, or for stock in a corporation actively engaged in such a trade or business. The elimination of the requirement for advance clearance in such cases will be most beneficial to corporations which have been engaged in foreign trade for a long time; however, it will also afford assurance of companies now entering foreign trade that their capital can be shipped to other areas without arbitrary delays and uncertain tax consequences.

A potentially important technique for fostering private investment in underdeveloped areas is that of tax sparing. Many underdeveloped countries try to attract capital by waiving taxes for a limited period of time upon new enterprises, or upon investments in existing enterprises. However, a program of tax sparing offers no incentive to U.S. companies, for they must pay U.S. taxes on the waived profit. It has been suggested that American companies which accept in good

faith tax waivers extended to them by foreign governments should be deemed to have paid the waived foreign taxes for the purpose of the foreign tax credit provisions of the Revenue Code. The Treasury and State Departments have been much interested in this policy, and have recommended that it be accomplished by tax treaties. While many of these underdeveloped countries are not yet committed to the Soviet bloc, they are readily susceptible to domination by the Soviet bloc if that should appear to them to be their only source of capital. We may alienate otherwise friendly nations by thwarting their efforts to attract American capital by nullifying their tax sparing program with our tax laws. A serious difficulty exists in the efforts to implement tax sparing by tax treaty. Tax sparing by tax treaty circumvents congressional authority in the field of taxation. I prefer a legislative mandate which recognizes incentive tax sparing by foreign countries as taxes paid for the purposes of the U.S. foreign tax credit. Section 6 of the bill provides such a mandate, but the Secretary of State will be authorized to certify unilaterally which foreign tax-sparing legislation will be recognized for U.S. tax purposes. Under this approach the Secretary of State will not be required to negotiate complicated and time-consuming tax treaties. He may, of course, if he deems it a wise policy, negotiate executive agreements with foreign nations in order to obtain reciprocal benefits. On many occasions, this should prove to be an extremely useful instrument in implementing the foreign policy of our country.

Since the foreign tax credit provisions were first introduced into the taxing system, there has been a need for a liberalization of the strict country by country limitation. Equality of treatment has long demanded that each taxpayer have an option to choose between the country by country limitation and an overall limitation in determining his for-

ign tax credit. I have provided for this liberalization by prescribing an alternative means of computing the maximum amount of credit which can be allowed against the U.S. tax with respect to any taxes due foreign governments. It is only in this manner that the fundamental purpose of the foreign tax credit—the prevention of double taxation of income earned abroad—can truly be achieved.

Section 7 of my bill would correct an inequity in the present law, relating to gain realized by a parent company upon the involuntary conversion of property belonging to a foreign subsidiary. Frequently, a domestic corporation must do business through a subsidiary in a country in which it is either impossible or difficult to secure adequate insurance coverage. In these instances it is a normal practice for the domestic parent corporation to insure the property of the subsidiary doing business in that country. If the property of the foreign subsidiary is destroyed, say by fire or by storm, the domestic parent is required to pay a tax at ordinary income rates on the insurance proceeds received even though it uses these proceeds to replace the lost property. This tax penalty deters investments in foreign countries where this insurance problem exists. There is no justifiable reason for denying the parent corporation the usual non-recognition of gain upon involuntary conversions of this kind.

I have been much encouraged by the response which has followed my introduction of H.R. 5. Many of you undoubtedly have other equally sound proposals that you feel should be enacted. I am sure you will all recognize that there is a real danger in trying to accomplish too much. Many groups similar to yours have evidenced a genuine interest in this matter and have displayed an understanding of the necessity for the realistic approach which I have taken in this bill. I have been informed that the public

advisory groups established by the President in the world trade area can be expected to come forward with constructive recommendation in the tax field. I would hope that these reports may be forthcoming at an early date. In any event, I am encouraged by the fact that the administration in Washington is at least interesting itself in this very vital problem.

Some of the proposals included in H.R. 5 have been discussed for years and have been recommended by careful students of the impact of Federal taxes upon private foreign investment. We have had enough study. Now is the time to put them into effect. The immediate importance of private investment in providing a sound basis for supplementing and replacing foreign economic aid calls for action at this session of Congress. The American people must be given a practical alternative to the indefinite continuation of \$1½ to \$2 billion a year in appropriation for foreign economic aid and technical development.

The most effective way to carry the message of the American way into the uncommitted countries of the free world is to make available to them private capital and business management, which this country can provide. In the long run we shall not make friends by giving handouts, and we can only teach the dynamic character of the free enterprise system by demonstrating directly how it works. This is a great cause, and I should hope that you might make it your cause.

The final decision on the future of this measure really rests with the business community—alert businessmen such as yourselves—genuinely concerned with private enterprise and with assuring that our foreign economic policy truly reflects the basic principles of our free enterprise system. You are aware of the challenges that confront us. With your support, we can reach our goal.

Thank you.

SENATE

FRIDAY, APRIL 17, 1959

(Legislative day of Wednesday, April 15, 1959)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Hensel E. Hendrickson, pastor of Kensett Lutheran Parish, Kensett, Iowa, offered the following prayer:

Our Father in Heaven, help us, we beseech Thee, to be aware of Thy abiding presence. The presence that has been revealed to us by Thy Word—that Thou will seek the lost, will bind up the crippled, will strengthen the weak, will watch over the strong, and will feed Thy sheep in justice.

We thank Thee for men who, in gratitude to Thee, fervently believe that the Nation's business should not proceed without prayer to their Heavenly Father. Today, as people in our small world are looking to this Nation for leadership and for kinship, let their eyes focus first on this moment of prayer, its significance to our people, and the cost paid for its preservation.

May we learn to measure our days by the missions being accomplished to Thy glory. As we have been blessed, help us to be a blessing to others, as we seek lost, bind cripples, strengthen weak, watch

over strong, and feed Thy sheep in justice. In the name of Jesus Christ. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 17, 1959.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. EUGENE J. MCCARTHY, a Senator from the State of Minnesota, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. MCCARTHY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 16, 1959, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 5674) to authorize certain construction at military installations, and for other purposes, was read twice by its title and referred to the Committee on Armed Services.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Judiciary Subcommittee of the Committee on the